

QUARTERLY
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Commercial Banks in Bulgaria

September 2004

125



YEARS

BULGARIAN
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CONTENTS

I. State of the Banking System (third quarter of 2004)	5
II. Methodological Notes	33
III. Banking Supervision Regulations	35
IV. Balance Sheets and Income Statements (as of September 2004)	41
V. Balance Sheets and Income Statements of Individual Commercial Banks	59

I. State of the Banking System

(third quarter of 2004)

1. Introduction	7
2. The Banking System	7
2.1. Structure, Changes and Trends	7
2.2. Liabilities and Equity Structure	9
2.3. The Dynamics of Major Balance Sheet Aggregates by Bank Group.....	10
3. State and Trends of Operational Results	12
4. Banking System Risk Profile: Major Bank Risks	13
5. Asset Quality 'A'	15
5.1. The Increased Credit Risk Zone	16
5.2. Provision Analysis	18
6. Earnings 'E'	18
7. Capital 'C'	20
7.1. Capital Adequacy Level and Trends	20
7.2. Capital in Excess of Capital Base Regulations	22
7.3. Capital Base and Capital Leverage	22
8. Liquidity 'L'	23
8.1. The Increased Liquidity Risk Zone	23
8.2. Major Liquidity Indicators: Level and Trends	23
Appendix 1	25
Appendix 2	28

1. Introduction

This report includes analyses of major trends in the banking system during the third quarter of 2004. Monthly and quarterly supervision reports and on-site inspection and special supervision findings form the basis of the analysis. The risk profile of the banking system and that of individual banks was determined using the CAMELS/CAEL assessment methods. Complex CAMELS ratings are assigned as part of full supervisory inspections, and ratings on four of the components (CAEL) are assigned quarterly. CAEL ratings indicate current fluctuations in the finances and risk profile of individual banks. Early full supervisory inspections are initiated where serious indications of negative trends emerge.

The approach to preparing figures by bank, group of banks, and the banking system includes computing medians for all individual ratios in addition to average values (for the banking system). This helps avoid ‘contaminating’ the average values by the weights set for individual banks, and presents a clearer and more complete picture of developments in each bank.

The classification of commercial banks into three groups was retained: *Group I* with the ten largest banks, *Group II* with 19 medium- and small-sized banks, and *Group III* with foreign bank branches. This focuses greater attention to processes in the bank groups which form the banking system, and pinpoints similarities and differences in the behavior of institutions which have less influence within the banking system. This classification is made only for analytical purposes and relates directly to the ‘average values’ or medians for any individual bank group introduced by the new Unified Bank Performance Report (UBPR). The larger number of banks in each group allows for more precise computation of medians while offsetting the effect of extreme values of indicators at individual banks (these values are taken into account in analyzing the profiles of relevant banks, and their significance for the bank group or the banking system is not underestimated).

2. The Banking System

2.1. Structure, Changes and Trends

Banking system assets followed a steady upward trend, reaching at the close of the third quarter of 2004 BGN 21,549,780,000: up 7.23 percent¹ (BGN 1,453,765,000 in absolute terms) on the prior quarter. Assets posted an increase in 24 of the 29 banks and in three foreign bank branches. Group I banks contributed most significantly to overall asset growth for the second quarter in a row (98 percent of overall growth, or BGN 1431 million). Group II banks posted a slower asset growth rate during the previous two quarters (BGN 198 million or 4.63 percent between June and September). Reduced assets of foreign bank branches (by BGN 175 million) reflected declines reported in one of the branches.

Changes in commercial bank balance sheet aggregates were as follows:

Cash went up by BGN 358 million or 23.26 to reach 8.80 percent of total banking assets. The growth which started in previous quarters was further affected by increased funds on banks’ settlement accounts with the BNB, a result of the extended basis for calculating minimum required reserves. Nine banks and three branches reported decreased cash.

Net claims on financial institutions fell by BGN 65 million or 1.99 percent, accounting for 14.87 percent of banking assets, a result of the larger decrease in foreign bank branches. Excluding the sum of BGN 348 million, funds deposited abroad (deposits and claims) continued to rise in absolute terms (by BGN 278 million: from BGN 2037 million to BGN 2313 million) reaching 77 percent of all claims on financial institutions against 74 percent in the previous period. In the previous two quarters placements with local banks went down

¹ If the effect of the one-off transaction conducted by a foreign bank branch of BGN 348 million (which affected significantly the prior quarter’s increase) were deducted, asset growth would be nearly BGN 1,801,765,000 or 9.12 percent.

(BGN 27 million between June and September) their share reaching 23 percent in total deposits and claims. *Claims on banks and other financial institutions* balance sheet aggregate remained a stable source of liquidity. Its potential to finance growing credit has been already limited in the bulk of banks.

Trading portfolio assets continued to decrease as a share of banking system assets to reach 6.98 percent (7.27 percent at end-June 2004 and 8.47 percent at end-March 2004). Over the third quarter the increase of BGN 43 million in absolute terms (2.93 percent) reflected growth in trading portfolio assets of some of the largest banks. Group II banks and foreign bank branches which own trading portfolio assets reported a decline of BGN 40 million or 7.65 percent. Securities of local issuers (mainly Bulgarian government securities) dominated in the portfolio's structure, with corporate and other debt and equity securities tending to increase. Some banks participated in the corporate debt market as leading managers of bonds issued by other local banks and companies. Portfolio instruments issued in markets characterized by more volatile quotations continued increasing. Their share in overall trading portfolio remained small entailing no significant risk of losses arising from changes in securities prices in international markets. Investment in other currencies decreased gradually at the expense of those in levs and euro: 84 percent to 16 percent as of September (79 percent to 21 percent by end-March).

The established trend towards steady growth of *investment portfolio* in Group II banks and in some branches was sustained. Debt securities placements by foreign issuers meeting the criteria of reporting at fair value stayed at nearly five percent of the overall banking investment portfolio.

During the third quarter of 2004 expectations of a lower growth rate of the *loans to nonfinancial institutions and other customers* did not materialize. These loans rose by BGN 1153 million or 10.22 percent to reach BGN 12,433 million. The reported growth is higher than that reported in the previous quarter (10.13 percent), and is one of the highest quarterly in the last twelve months. Taking into account impairment loss through allocated provisions, credit growth came up to 10.30 percent against 10.35 percent in the previous quarter. All banks and branches, save for eight banks, reported an increase in net credit portfolios. Traditionally, Group I banks' credit portfolios grew most (by BGN 960 million). Of Group II banks, those with increased portfolios dominated (by BGN 111 million). The share of net credit in total banking system assets came to 55.70 percent against 54.15 percent by end-June. Over the third quarter this share was lower in banks whose claims exceeded 70 percent of assets, coupled with increased credit risk (credit migration to higher-risk groups). The structure of system's credit portfolio matched the previous quarter end: commercial loans took the largest share (68.75 percent against 69.96 percent by end-June), followed by consumer loans (20.08 percent against 19.88 by end-June), housing and mortgage loans (6.21 percent against 5.25 percent by end-June), and loans to the budget, agricultural and other loans (4.95 percent against 4.91 percent in the prior quarter). Between July and September developments were most dynamic in housing and mortgage loans to individuals (an increase of 30.39 percent) and in agricultural loans (up 12.73 percent). Household loans continued growing significantly due to eased loan requirements provided by a number of banks and enhanced household demand. In terms of the potential credit risk and with respect to credit institutions' profitability, this segment remained attractive with a potential to develop.

The *Premises and Other Fixed Assets, and Other Assets* items comprised a small share of under four percent of total banking assets, matching the previous quarter's end levels.

2.2. Liabilities and Equity Structure

The *deposit base* was relatively stable. Attracted deposits of banks and other financial institutions, as well as individuals' and firms' deposits to the amount of BGN 966 million prompted a 6.22 percent growth (6.78 percent for the second quarter, 7.13 percent for the first quarter). The slowing growth rate between June and September 2004 reflected lower growth in *deposits of financial institutions*. These deposits rose slightly by BGN 38 million or 1.84 percent (8.92 percent over the prior period) to reach BGN 2077 million. The increase reflected continuing declines in the bulk of Group II banks. It is worth noting that recent quarters saw significant growth of deposits attracted by foreign banks. As of 30 September 2003 they came to approximately BGN 296 million or 34 percent of all bank deposits, while as of 30 September 2004 they reached BGN 784 million or 53 percent of all attracted resources by banks. *Deposits of nonfinancial institutions and other customers* posted a fairly steady growth picking up by BGN 929 million or 6.88 percent. Group I banks' growth was 9.31 percent and Group II banks' 6.74 percent. As regards the forex structure, lev-denominated deposits posted the largest growth over the third quarter (by BGN 667 million or 10.68 percent) followed by EUR-denominated deposits (BGN 279 million or 7.21 percent). Deposits in other currencies (mostly in US dollars) fell by BGN 18 million or 0.53 percent (a slight effect of the US dollar depreciation against the lev). Over a half of individual and firm deposits were denominated in foreign currency. By type of instrument, time deposits grew most (by BGN 581 million or 9.29 percent), followed by demand deposits (by BGN 250 million or 4.64 percent). Savings deposits indicated relatively even growth (by BGN 98 million or 5.25 percent). Short-term borrowings posted a slight increase of BGN 3 million or 1.08 percent, and their share in total borrowed funds declined to 1.40 percent against 1.49 percent by end-June and 1.62 percent by end-March 2004.

*Long-term borrowings*² as an alternative source of liquidity (albeit more expensive) grew by BGN 292 million or 30.08 percent. The share of these funds in total borrowed funds also increased compared with the previous review period: from 5.79 percent to 5.86 percent. The increase reported in Group I larger banks (by BGN 240 million or 52.02 percent) reflected utilized tranches under BA-CA, EBRD and other foreign bank credit lines. New bond issues were another reason behind this growth. Funds directed at financing domestic small- and medium-sized businesses were mostly extended by Group II banks whose share in long-term borrowings rose to 14.46 percent against 5.36 percent for Group I banks. However, the long-term borrowings' share in financing sources remained small. The bulk of long-term borrowed funds was denominated in levs and euro and invested in the same currency. Consequently, they do not pose a significant currency risk for the system.

During the third quarter the total volume of funds for financing (excluding equity) totaled BGN 1,261,241,000, an increase of 7.52 percent, with some 91 percent of them transformed into credit. This confirms the trend of faster credit growth compared with funds for financing.

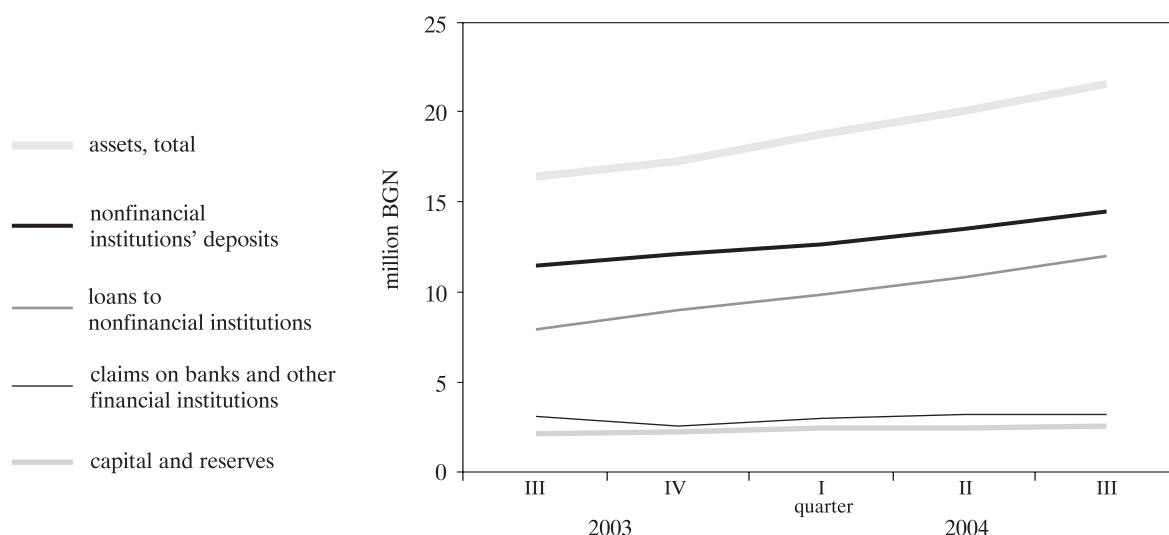
Lending between September 2003 and September 2004 was financed primarily by nonresidents. During this period total borrowings from foreign institutions (in the form of deposits, short-term and long-term borrowings) almost tripled: from BGN 655 million to BGN 1782 million, reaching ten percent of total funds (five percent as of 30 September 2003).

Between June and September the *Equity* balance sheet aggregate increased by BGN 155 million or 6.35 percent, reflecting primarily the *current year profit* (an increase of BGN 111 million) followed by *Reserves* growth by BGN 25 million. An increase of paid-in shareholder capital was reported by ProCredit Bank, Evrobank and Corporate Commercial Bank. Continuing sizable lending which exceeds equity growth gave rise to concerns about total capital adequacy of some banks. Over the review period capitalization of fewer banks enabled them to manage larger risk assets.

² Based on banks' supervision reports, the *Long-term borrowings* item.

Chart 1

Dynamics of Major Balance Sheet Aggregates



2.3. The Dynamics of Major Balance Sheet Aggregates by Bank Group

By the close of the third quarter of 2004 the *ten largest Group I banks* retained their dominating market positions demonstrating growth in all balance sheet aggregates. The share of Group I banks' assets comprised 72.38 percent of total banking assets (up 1.89 percentage points on June). Net claims on financial institutions came to 62.07 percent (5.96 percent up), net loans came to 72.97 percent (1.30 percent up), assets in trading portfolio came to 65.48 percent (4.21 percentage points up) and investment portfolio came to 89.31 percent (a slight fall of 1.06 percent). Deposits attracted from financial institutions comprised 57.14 percent of the banking total (up 3.49 percentage points), deposits attracted from nonfinancial institutions and other customers 76.01 percent (1.69 percentage points up). Group I banks' short-term borrowings made up 76.93 percent of the banking total (up 4.37 percentage points) and long-term borrowings 55.42 percent (up eight percentage points). The equity of Group I banks accounted for 73.20 percent (a decline of 1.05 percentage points) of banking capital. Market concentration in the ten largest banks remained relatively high (major balance sheet aggregates were concentrated in a limited number of banks). These banks controlled to a great extent the banking sector and their performance was still crucial for the stability and the state of the entire banking system.

Between June and September 2004 the *19 Group II banks* slightly contracted their market share in major segments. Assets accounted for 20.81 percent of the banking total against 21.33 percent in the previous quarter. Net claims on financial institutions came to 22 percent (1.26 percentage points up), net loans 20.92 percent (down 1.13 percentage points), assets in trading and investment portfolios 32.35 percent and 8.23 percent respectively (down 3.70 percentage points for the former, and up 0.39 percentage points for the latter). Group II banks attracted 16.99 percent of total financial institutions' deposits (down 3.40 percentage points) and 18.48 percent of total nonfinancial institutions' and other customers' deposits (down 0.02 percentage points). Short-term and long-term borrowings made up 23.07 percent and 44.58 percent of the banking total, with short-term borrowings decreasing by 4.37 percentage points and long-term ones by 5.42 percentage points.

When analyzing the market share of the *six foreign bank branches*, it should be taken into account the one-off-effect transactions reported as of 30 June 2004 (affecting significantly not only the balance sheet aggregates of the branches but the entire banking system). Net loans went down from 6.28 percent to 6.11 percent (or by 0.17 percentage points). Total deposits decreased from 9.64 percent to 8.07 percent (or by 1.57 percentage points). Funds borrowed from parent companies continued to rise. Claims on related parties also increased.

Chart 2

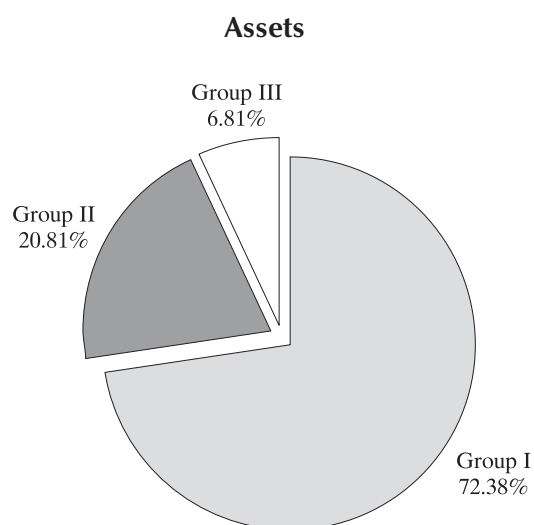


Chart 3

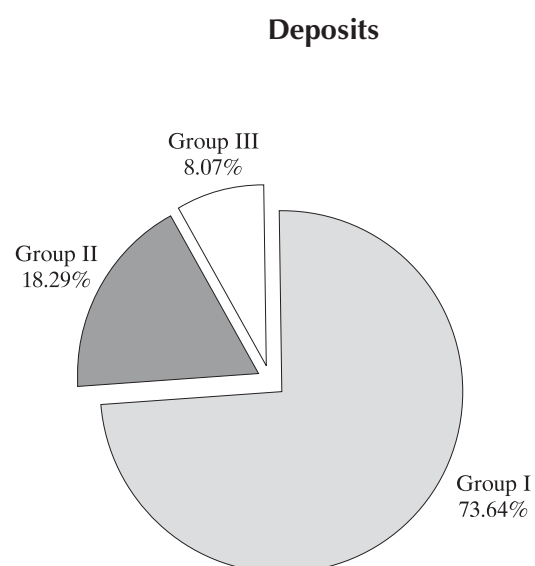
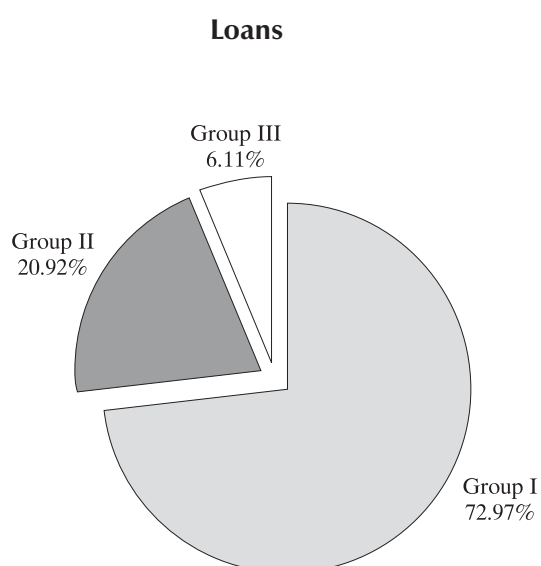


Chart 4



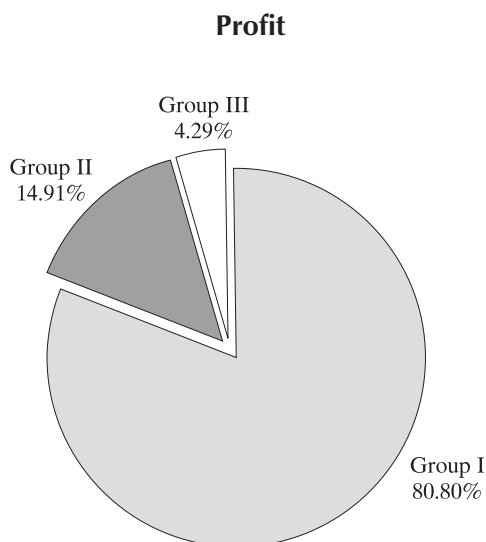
Market Concentration Index (HHI)

Risk concentration analysis of balance sheet items in individual banks shows no significant changes compared with previous periods. DSK Bank retained its moderate concentration level in mortgage loans and savings deposits, and high concentration in consumer loans. High concentration in short-term borrowings was registered by the First Investment Bank. By bank group, high concentration was observed practically in all items of the ten Group I banks (values of this index varied from 2369.62 in agricultural loans to 8437.78 in consumer loans). Group II banks' high concentration was reported in agricultural loans (2281.28) with low concentration levels in all other items. Obviously, the banking system was dominated by Group I banks, with three to five banks being of key significance.

3. State and Trends of Operational Results

The banking system closed the third quarter of 2004 with a profit of BGN 335 million, an increase of 49.65 percent (BGN 111 million) on the second quarter of 2004. Group I banks generated 80.80 percent of the total profit, with the three largest banks (Bulbank, DSK Bank and UBB) contributing 50.37 percent to the profit (total assets of these banks comprised 37.92 percent of total banking assets). Net interest income increased to BGN 744 million (by BGN 267 million or 56 percent on June) reflecting the leading role of interest-bearing assets and especially of loans, their leading segment. Other revenue and expenditure items remained unchanged from previous periods. This gives grounds to expect retention of trends in the system's financial result over the fourth quarter of 2004.

Chart 5



4. Banking System Risk Profile: Major Bank Risks

In spite of the fact that major banking system risks sustained their characteristics over the third quarter, there were some trends and signs which prompt the following conclusions:

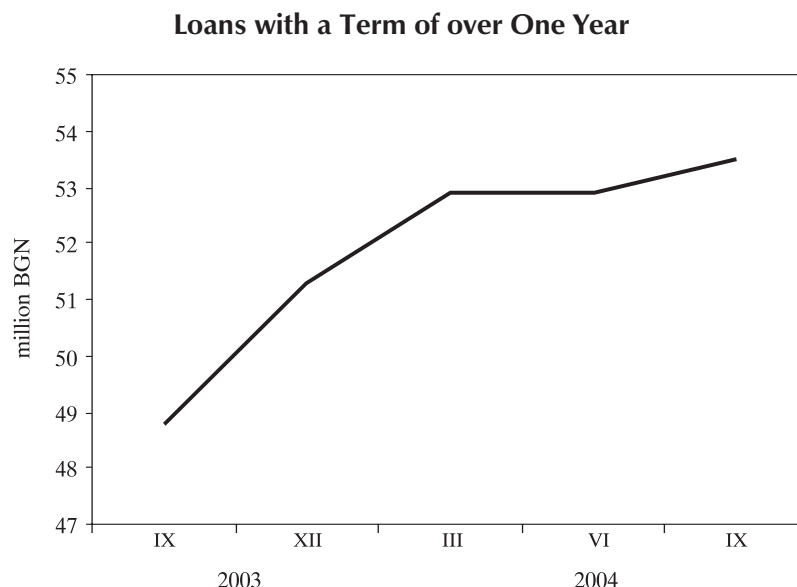
- a lack of adequate reactions by most banks to the warnings to realize the need for initiating measures for diminution of the lending growth rate;
- the accentuated ambition for developing the product range in retail banking (consumer loans, bonuses for new depositors; lease financing, mortgage lending) in some cases at the expense of insufficiently studied solvency threshold of the market niche and the potential customers of this niche;
- the struggle for attracting corporate customers reflected the interest rate fall and eased credit requirements but given the limited number of customers in this group the risk assessment was underestimated in particular cases;
- banks with close to admissible capital adequacy ratios managed to cope with the difficulties by the end of the first half of the year (with the substantial assistance of the Banking Supervision Department); however, it should be noted that the fundamental reasons have not been overcome: a significant increase of the risk component under insufficient or untimely capital support; optimistic management views about the ability to manage processes (in some cases caused by reluctance or inability to persuade the major shareholders to undertake actions in line with the increased assets and operational risk); an ambition to follow at any cost the behavior model of other banks at the expense of analyzing the abilities of the institution and the market;
- There are a few cases when the initiated actions were in violation of good banking practice.

The results of the complex analysis of banks in respect of their risk profile give grounds to assume that most banks both by group and by business profile ensure risk coverage consistent with regulatory requirements. Twenty four banks and foreign bank branches were assigned the complex rating of 1 and 2 under CAEL.

Over the review period *credit risk* indicators continued to be dominant for the risk profile of the banking system and individual banks. The increase in gross loans by 10.22 percent (BGN 1153 million) reflected the *behavior of the ten largest banks*: the total amount of their loans went up by 12.17 percent (almost three-fold increase compared with medium- and small-sized banks, 4.72 percent). The growth of BGN 985 million reported by the ten largest banks accounted for 85.47 percent of the total credit growth in the banking system. *Medium- and small-sized banks* posted an increase of BGN 117 million with lower growth rates reflecting mostly weaker capital position (compared with Group 1 banks) rather than a change in business behavior. The former should be also analyzed through the prism of the potential of these banks to absorb risk in case of a possible worsening of asset quality and a fall in operational profitability.

In terms of maturity, the term of loans disbursed continued increasing: by September 2003 the share of loans with a term of over one year accounted for 48.73 percent (BGN 3910 million) in total loans, while a year later these loans' share reached 53.47 percent (BGN 6416 million). The growth in long-term loans (over one year) by 64.09 percent indicated not only the banks' enhanced belief that business agents are able to successfully implement their long-term projects but also the sharpening credit risk. Maturity imbalances between banks' assets and liabilities further increased, since the maturity of liabilities was extended at lower rates than that of assets. The change in maturity structure should be interpreted also as an additional factor in favor of cooling credit growth.

Chart 6



In terms of foreign currency EUR-denominated loans rose most significantly, by 14.75 percent (BGN 622 million or approximately EUR 399 million), while BGN-denominated loans posted an increase by 8.42 percent (BGN 518 million). Loans denominated in other currencies went up by just 1.39 percent (BGN 13 million). The credit distribution by currency is an argument in favor of the conclusion that credit risk tends to increase due to undertaking additional foreign currency risk. Structurally, loans are distributed as follows: commercial loans rose by 8.32 percent (BGN 656 million), consumer loans by 11.36 percent (BGN 255 million), mortgage loans by 30.39 percent (BGN 180 million). In terms of *credit risk*, the *off-balance sheet* items did not experience dramatic changes compared with June 2004. The total increase in credit substitutes and other off-balance sheet commitments accounted for 7.78 percent (BGN 242 million). Concurrently, commercial letters of credit posted an increase by BGN 9 million. These growth rates matched the previous periods' rates and give no ground for concerns about growing risk appetite in respect of off-balance sheet transactions.

Distribution of loans by sector (based on the Credit Register data) was as follows:

	June 2004	September 2004
• Trade, repair and technical services (%)	27	25
• Manufacturing (%)	21	19
• Other services (%)	12	12
• Electricity, heating, gas and water (%)	3	3
• Financial intermediation (%)	1	1
• Hotels and restaurants (%)	5	5
• Construction (%)	2	3
• Transport, storage and communications (%)	3	4
• Extractive industry (%)	1	1

Examination of the hypothesis of resistance to various types of risk applying the *stress-test* methods indicates an increase in the number of banks (20 by 19 June) which would not be solvent according to the minimum regulatory requirements at the hypothesis of not very acute migration of a portion of loans to nonperforming exposures. The capital adequacy ratio in four of the 20 banks would be negative. Modeling of possible shocks in the

future confirms the previous analyses' conclusions about the increasing need for both repressing lending growth and increasing capital support in institutions which are most strongly threatened of credit quality worsening.

Within the review period *market risk* followed the pattern of the previous quarters. *Foreign currency risk* remained constant. The net foreign currency position stayed short, accounting for -4.65 percent of the banking system capital base. EUR-denominated assets continued to dominate totaling EUR 3958 million (an increase of EUR 309 million) and liabilities reached EUR 3445 million (an increase of EUR 298 million). The US dollar continued to play a major role among other currencies (USD 2207 million in assets and 2441 million in liabilities) forming a short position which accounted for 4.98 percent of the capital base. Given the fixed exchange rate of the lev to the euro and the small unbalanced position in US dollars it may be concluded that the *banking system was not exposed to foreign currency risk in the third quarter* either. This conclusion was confirmed by the stress test model of foreign currency risk. It suggests that the capital adequacy ratios of only three banks fluctuated around 12 percent (in essence the picture has not changed from June 2004).

Price risk's influence on the general structure and market risk indicators remained insignificant. Commercial banks did not change the policy of investing in low-risk instruments, that is mostly in government securities and instruments with zero risk weighting. The ambition of some banks to diversify their portfolios by investing in higher-yield instruments of issuers' with noninvestment rating did not push up risk: the share of securities issued by foreign (nonprime-rate) issuers accounted for 13.62 percent of the banking system portfolio, with 11 banks and one foreign bank branch having investments in such instruments. *Interest rate risk* did not have a significant effect on commercial bank behavior. Although the cumulative GAP position continued narrowing to 1.68 percent of total assets (against 3.37 percent by June), there was a potential to offset interest rate fluctuations. The share of loans sensitive to interest rate changes made up 93.06 percent of total loans (against 92.84 by June). Of this, loans sensitive to interest rate changes in the shortest time horizon of up to 30 days accounted for 51.28 percent, and these in the time horizon of over one year, 26.65 percent (25.80 percent by June or an increase of BGN 349 million), a level ensuring sufficient resources for banks to react in case of interest rate changes. The share of deposits sensitive to interest rate changes increased steadily in recent quarters: 90.38 percent (88.48 percent by June and 82.86 percent by March). Deposits sensitive to interest rate changes in the shortest horizon accounted for 79.96 percent of total interest rate sensitive deposits. The interest rate stress-test results suggest that the total capital adequacy ratio of one bank would range around the minimum regulatory level, and that of three banks would range between 8 and 10 percent.

Liquidity risk remained unchanged. In respect of business behavior and continuing active lending, the conclusion that primary and secondary liquidity indicators were adequate should be confirmed but only as regards the existing levels of confidence in institutions.

5. Asset Quality 'A'

- Credit growth did not prompt quality worsening;
- Approximately 80 percent of assets was assigned a credit rating of 1 and 2;
- Impairment loss on loans (11.35 percent) is approximating the growth rate of gross loans (10.22 percent).

Within the third quarter of 2004 no fundamentally new or divergent trends occurred:

- despite the initiated measures, the aggressive credit expansion continued, posing a substantial increase of BGN 1153 million;
- the amount of claims on financial institutions almost matched the half-year's levels with the slight changes at the end of the period being a result of the efforts to change the characteristics of the total risk component of assets and liquid assets coefficient (according to the reporting methods provided for in Regulation No. 11 of the BNB).

- the volume and basic qualitative characteristics of assets in the working and investment portfolios remained practically unchanged and investment in government securities issued by the Bulgarian government and by issuers included in Appendices 1 and 2 of Regulation No. 8 of the BNB remained dominant;
- the volume of banks' nonearning assets was also sustained (premises and other fixed assets, intangible assets, other assets), a result of policy of permanent maintenance of a high share of earning assets (with an accent on interest assets).

5.1. The Increased Credit Risk Zone

Establishment of the increased credit risk zone is an element of the analytical and supervisory strategy for monitoring problem banks and is based on indicators showing deviations in the following directions: asset risk sharpness above the banking system's average; migration of classified exposures toward higher degree of impairment and/or restructuring of impaired and classified assets in the absence of efficient cash flows from operations (e. g. reintegration of provisions as a result of such schemes is one of the indicators of possible problems); serious weaknesses in lending management coming to light during supervision inspections and major risks in operations with assets; evidence or grounded suspect of opacity of bank operations and (especially of) relationships with economically related persons (in some cases a second target inspection is required to confirm or reject suspects). Some banks assigned a rating of 3 and all banks with a rating of 4 are included here. Based on the analysis of this segment of the banking system, over the third quarter the Banking Supervision Department imposed serious constraints, started follow-up target inspections, addressed fundamental messages to the financial sector intended to enhance the effect of restrictive and preventive supervisory measures.

Asset quality dynamics over the review period may be illustrated through the levels and changes in the value of the following major indicators:

The *share of problem assets* indicated an insignificant fall from 1.33 percent by June to 1.31 percent by end-September 2004. The values of this indicator proved to be stable with an absolute increase of BGN 15 million (5.65 percent) on June 2004 which is lower than that reported in the June 2003 – March 2004 (7.29 percent or BGN 18 million). Divergent trends occurred within the system: a fall in the absolute values of the indicator was reported by ten banks, while the values reported by the remaining banks indicated an increase. The conclusion drawn on the basis of previous analyses was confirmed: divergent dynamics in the values of this indicator was combined with the large number of banks which have reported changes predetermined the insignificant effect at the system level. At the same time, the indicator points out to problem asset zone of some banks.

Insofar occurrence of problem assets is one of the conditions for impairment and classification of assets, the trends in the *classified assets* were similar. Compared with the previous quarter, classified assets posted an increase of 11.24 percent (9.17 percent in June) or BGN 89 million in absolute terms (against BGN 66 million in 2004). The system's classified assets rose by 29.70 percent (BGN 201 million), a higher rate compared with the June 2003 – June 2004 period (23.84 percent or BGN 152 million).

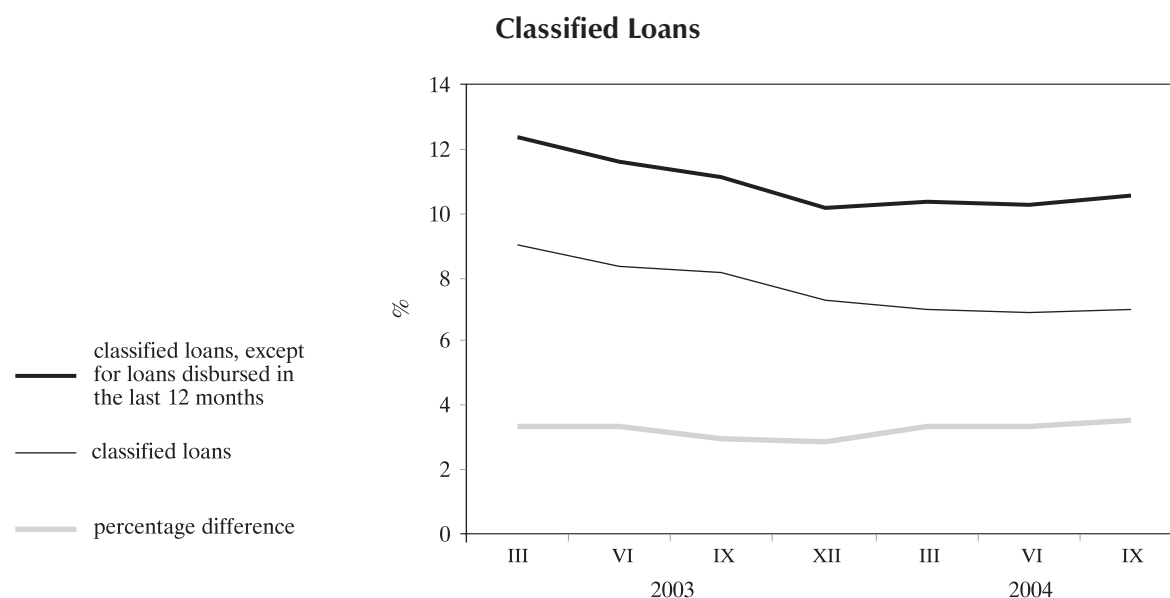
This trend confirms the conclusion that the increased volumes of loans started challenging the risk management ability of institutions under the new higher levels of classified assets.

Analysis of loan quality confirms the trends analyzed above. By the end of September 2004 *classified assets* accounted for 7.03 percent of gross system's loans. Compared with the first half of 2004, they grew by 11.35 percent (BGN 89 million) outstripping the increase in gross loans (10.22 percent). There are no sufficient arguments to assess the stability of the trend, but the *increase in impaired loans is undoubtedly approximating that of gross loans (on an annual basis) thus reaching equilibrium which may be followed by a faster rate of impairment*. This statement was also confirmed by the classification curve for the September 2003 – September 2004 period. In the first half of the review period loan growth was accompanied by a decline in classified loans, while in the second quarter of 2004 the trend reversed and classified loan growth accelerated.

Analysis of the *sharpness of credit risk weighted* by banks (reliability of classification) reveals a decline in the share of standard loans from 93.05 percent to 92.97 percent. The share of nonperforming loans continued falling: from 2.47 percent to 2.40 percent. The reasons behind this fall were attributable to full or partial payments, as well as to off-balance sheet reporting of fully provisioned exposures. In spite of the reported fall in percentage terms, the absolute amount of this group of loans increased from BGN 280 million by June to BGN 298 million by the end of the review period. A similar trend occurred in the lowest risk segment, that is the group of watch loans which increased from BGN 435 million by the end of the first half-year to BGN 490 million (by 12.67 percent) by September 2004. Commercial loans contributed most significantly to the increase, while the share of consumer and mortgage loans was insignificant. Within the classification structure watch loans accounted for the largest share (55.72 percent), followed by nonperforming loans (33.88 percent) and substandard loans (10.40 percent).

Given the sizable volume of new loans and the insignificant probability of their impairment for the period of one year, it may be assumed that the picture of classified loans has been slightly distorted. If loans disbursed in the last 12 months were 'eliminated' from banks' portfolios, it would become quite clear that classified loans were gradually rising over the last 12 months.

Chart 7



Credit risk sharpness distribution by commercial bank group is as follows:

		June 2004	September 2004
Group I	Total	BGN 8,094,587,000	BGN 9,079,944
	Standard (%)	93.48	93.13
	Nonperforming (%)	2.59	2.47
Group II	Total	BGN 2,491,223,000	BGN 2,608,718
	Standard (%)	91.30	91.84
	Nonperforming (%)	2.70	2.74
Group III	Total	BGN 694,012,000	BGN 744,034
	Standard (%)	94.30	95.11
	Nonperforming (%)	0.18	0.39

5.2. Provision Analysis

The state of balance sheet provisions allocated to cover impairment loss on assets is indicative both of the asset quality and banks' policies pursued in respect of risk. Despite the *gross asset provisioning degree* stayed unchanged at 1.96 percent, in September provisions reached BGN 431 million, an increase of 8.05 percent (BGN 33 million). The growth almost doubled on the second quarter of 2004 and was concentrated mostly in claims on nonfinancial institutions. Provisioning degree in this asset segment posted a decline in percentage terms (from 3.52 percent to 3.46 percent by September), while in absolute terms provisions rose from BGN 397 million to BGN 430 million. In banks with high-problem assets, the degree of loan provisioning did not experience significant changes, since no serious changes occurred both in the quality classification and credit growth. However, it should be noted that the Banking Supervision Department intervention played a role of a repressive factor in respect to a pursuit of a more liberal provisioning policy.

The degree of provisioning of *claims on financial institutions* was negligibly small (0.06 percent) and properly reflected the quality of placements.

Portfolio-based claims did not change from the previous period: only 17 banks formed portfolios and allocated provisions to cover potential risks; the specific rate of portfolio provisioning for each institution was sustained; the degree of provisioning of similar portfolios diverged ranging from 0.46 percent to 2.32 percent. Of note is that banks included in the increased credit risk zone did not allocate portfolio-based provisions and their protection against credit loss is fragile. The reason behind the divergent provisioning rates are attributable both to the length of the time series and to the banks' ability and willingness to allocate a portion of their earnings for portfolio-based provisions. The conclusion drawn from the previous analyses of expected increase in this type of provisions due to growth in total consumer loans remains valid.

By end-September the *coverage indicator* increased to 144.80 percent (against 142 percent by the end of June).³

6. Earnings 'E'

- *Sustainable trends in forming the financial result due to sustained characteristics of major centers of earnings and expenditures.*
- *Despite the severe competition, the bulk of the banks succeeded in improving their profitability benefiting from greater portfolio volumes and the launch of new products.*

Over the third quarter of 2004 the banking system earnings indicators did not change essentially: the net interest income dominated in operational earnings as a result of restructuring of earning assets into placements earning higher interest income (loans); financial intermediation over the third quarter was again characterized by innovation and aggressive approach applied to customers both in respect of borrowed funds and to various products in retail banking, contributing to the increased share of fees and commissions from bank transactions and to forming banks' financial result; foreign exchange transactions and extra profit did not have a significant effect on banks' income. Coupled with good asset quality in most of banks and bank branches, the above processes confirmed the previous periods' conclusion of adequate earnings and a lack of systemic threats in the short-term horizon.

Over the third quarter no essential changes occurred in the *problem zone*. Banks with a component rating of 4 stayed in the problem group. This group's earnings from bank transactions remained volatile and/or insufficient; they often reported negative or low dramatically switching net income from bank transactions within one or several periods, their financial result was sensitive to extraordinary operations, currency revaluation or tink-

³ The indicator measures the ratio of accumulated provisions on all classification groups to the amount of loans classified as nonperforming.

ering with provisions was carried out; their operating expenditure was high (compared with banks with similar profile and as regards their operational income); internal sources for adequate capital support were insignificant or lacking, their operations were extremely sensitive to any corrective supervisory measures. Unfortunately, despite the positive financial result reported by September, no fundamental positive change occurred in these banks' behavior which may seriously affect the earnings and expenditures, but there were symptoms of realizing the need of a change. The trends of major bank indicators were:

Ratio as a percentage of average assets	September 2003	September 2004
Net interest income (%)	4.61	4.98
Noninterest expenditure (%)	4.44	4.20
Extra operating profit/loss (%)	0.03	0.05
Efficiency ratio (%)	63.81	60.43
Net result (post-tax ROA since year start) (%)	2.57	2.29
Core ROA (net income from core operations since year start) (%)	3.39	2.96
Return on equity (ROE) (%)	23.74	21.55

The indicators' values show a steady rise in the weight of *net interest income* share in final result formation. This stems from the unchanged reasons in the last few quarters reflecting the positive effect of several concurrent processes: an increase in the share of interest-bearing assets in total assets; continuing growth of loans and their share in assets coupled with sustaining good credit quality; retained stable placements in instruments of the Bulgarian government and low credit risk securities; high liquidity and adequate earnings; steady placements in foreign banks generating adequate earnings as a result of a favorably reversed trend in interest rates in international financial markets; preserved net interest margin indicators reflecting the stable interest asset financing price.

The above conclusions may be exemplified by the values of the following indicators: the *price of interest-bearing liabilities* was 2.07 percent, posting a six basis points⁴ increase on the same period of 2003 (a four basis points growth compared with June 2004). The slight change reflected the more expensive long-term financing in the banking system (although 'exotic' deposit products offered by some banks may also have attributed to this); the *prevalence of interest-bearing assets over interest-bearing liabilities*, the latter amounting to 94.50 percent of assets (against 94.07 percent by end-June 2004 and 92.76 percent by end-June 2003); the *interest asset financing price* continued rising gradually reaching 1.96 percent (against 1.91 percent by end-June 2004 and 1.87 percent by September 2003). The trend of maintaining a stable and high net interest margin continued: its values rose to 5.67 percent against 5.35 percent a year earlier. Given a practically preserved *share of interest-bearing assets* in gross assets coming to 87.85 (88 percent by June 2004), the *net interest income indicator* stayed at 4.98 percent (against 4.98 percent by June 2004 and 4.61 percent a year earlier). Six Group I banks, ten Group II banks and four foreign bank branches reported increased values of this indicator compared with the corresponding period a year earlier.

Return on interest-bearing assets remained high owing to these processes. The 7.62 percent level coupled with the system's sustained interest-bearing capacity in terms of volume and quality effectively contributed to retention of total return on assets. Return on assets based on *noninterest income* did not change considerably. The insignificant drop from 2.15 percent by end-June 2004 to 2.13 percent by end-September indicates stability of financial intermediation positions.⁵

Conclusions of previous periods are valid for *noninterest expenditure*, despite this indicator's decrease from 4.44 percent to 4.20 percent: the amount was considerable in terms of operating expenditure. This was confirmed by the *efficiency ratio*: its values of 60.43 percent were still high and limited banks' opportunities for narrowing the

⁴ A basis point is equal to one hundredth of one percent.

⁵ Compared with June 2004, loan servicing income grew by 65.28 percent, fee income on off-balance sheet commitments by 53.20 percent, service charges on deposits by 56.98 percent, and other fees and commissions by 58.37 percent.

net interest margin (this circumstance will become a greater challenge in the coming two or three years).

Return on assets (ROA) and return on equity (ROE) indicators amounted to 2.29 percent and 21.55 percent respectively, showing good earnings of the banking system.

By end-September 2004 the number of full-time employed in the banking system was 22,484 (an increase of 220 on June 2004); bank assets *per employee* grew by BGN 55,000 to BGN 958,000 on the previous quarter.

7. Capital 'C'

- *Slowdown in major capital indicators' dynamics with sustained trends of previous periods: a gradual decrease in capitalization, a fall in capital surplus, classified asset growth.*

Despite the measures taken in the third quarter by the BNB for lending reduction through decreasing banking system liquidity, in the review period the downward trend in capital indicators was sustained prompted by considerable credit expansion. Banking system capital risk continued to grow, although more gradually. Major factors affecting banking system capital position experienced no changes: capital base growth rate over the last 12 months (5.58 percent) was considerably lower than asset growth rate (31.51 percent); capital surplus decreased further; the share of classified assets and problem assets followed an upward trend.

Some institutions improved their capital indicators owing to the measures taken both by the Banking Supervision Department and the banks themselves to reduce capital risk. Notwithstanding, the *increased capital risk zone* was preserved in the third quarter. Banks whose capital did not ensure adequate asset coverage belong to this zone. These are institutions that exhibit one or several of the following characteristics: active lending and a sizable share of high-risk assets in the risk component structure; lack of sound internal sources providing adequate capital support; sizable concentrations in credit portfolios; lending to economically related parties or parties related to the bank; lack of reliable income flows, limited access to financial markets and inability to cover the risk of bank's operations by own or borrowed funds.

7.1. Capital Adequacy Level and Trends

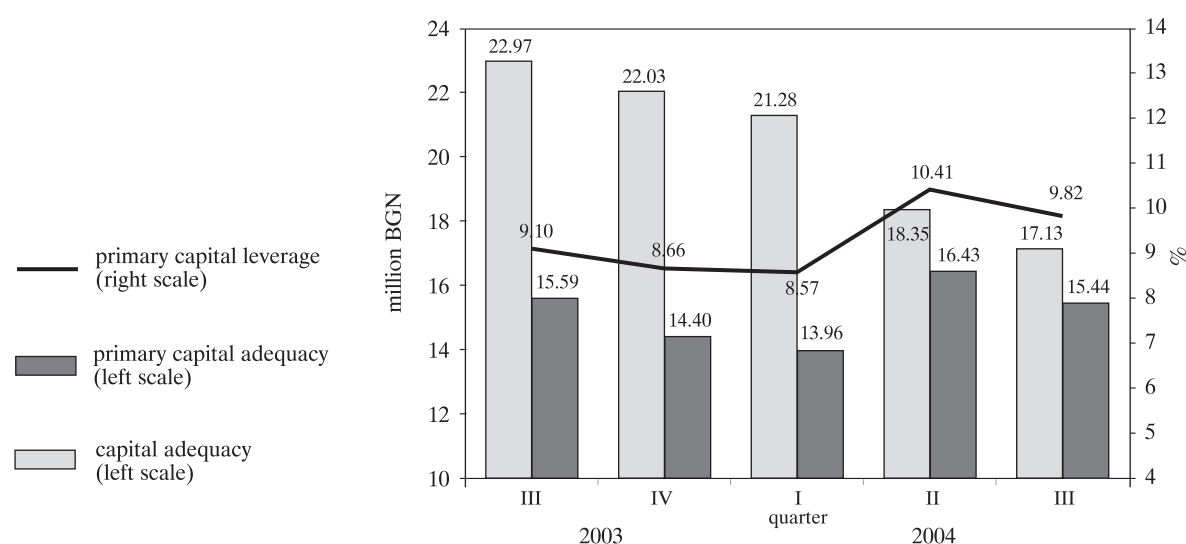
The higher growth rate of assets compared with that of capital registered in the previous two quarters of 2004 confirmed the negative trends in the banking system capitalization. The banking system increased its assets by 31.51 percent while capital rose by just 5.58 percent against borrowed funds growth of 33.87 percent over the last 12 months. Compared with the base period, total capital indicators decreased more gradually, although it should be noted that their end-June 2004 values were considerably influenced by the amendments to Regulation No. 8. The major factor behind asset risk growth, capital adequacy decrease and capital surplus reduction in the third quarter continued to be expanded lending at the expense of placements in banks and investing in securities. By the end of the review period loans amounted to 55.70 percent against 54.15 percent by end-June 2004 and 48.47 percent a year earlier. Banking system total capital adequacy dropped from 18.35 percent to 17.13 percent with a 5.84 percent decrease in the indicator values reported within a year. Over 12 months the banking system total asset risk component increased by 39.84 percent, each BGN 500 million growth leading to a decrease of some one percentage point in the total capital adequacy. The increase in high-risk assets (assets risk-weighted at 50 percent and 100 percent) matched that of the previous review period: 11.50 percent (BGN 138 million) for the former, and nine percent (BGN 931 million) for the latter. This is also apparent in the gradual increase in the *degree of asset risk*: from 62.53 percent by end-June 2004 to 62.87 percent by end-September 2004. Within the outlined general trend nine banks showed improved capital indicators reflecting various behavior patterns: some of them reduced lending, others decreased the total risk component by asset restructuring, increasing shareholder capital or including profits in the primary capital. Half of the banks reported total capital adequacy values above the median and most of Group II banks' high values did not indicate in real terms the strength of their capital position.

Primary capital adequacy and *degree of asset coverage* indicators confirmed conclusions of a gradual increase in capital risk. *Primary capital adequacy* declined in 19 of the 29 commercial banks in line with the *degree of asset coverage*: 21 banks reported values lower than those in the prior period. Primary capital rose by BGN 53 million, or a three percent growth, of which only the capital of ProCredit Bank (BGN 10.5 million), Evrobank (BGN 6.5 million) and Corporate Commercial Bank (BGN 0.6 million) was increased by shareholders' contributions. It should be noted, however, that the banking system had accumulated reserves in support of its capital amounting to BGN 200 million in the form of first-half 2004 profits not included in the primary capital.

Third-quarter data confirmed the conclusion of previous analyses that most banks' capital indicators would be impacted to a greater extent by lending dynamics and would worsen further despite their abilities to include profits for the first half of 2004 in the primary capital. *Except for the banks on which supervisory measures were enforced since they formed an increased capital risk zone, the capital adequacy of most banks is expected to follow a continuing downward trend. These indicators may stay at their present levels in individual banks due to exhaustion of lending capacity, although such an effect is most unlikely to occur in the system in general. The enforcement in 2005 of the new Regulation No. 8 which will include market risks is expected to additionally exhaust the capital position of individual banks. Some of the banks do not have an additional capital buffer to cover these risks. If these institutions do not increase their capital in the coming quarters, upon enforcement of the amendments to Regulation No. 8 their capital adequacy is likely to come close or equal to the statutory minimum.*

Chart 8

Capital Indicator Dynamics



Net classified assets as a percentage of the capital base confirmed the conclusions about increased capital risk. The share of these assets posted sustained growth from 19.23 percent by end-September 2003 to 21.57 percent by end-June 2004 and by another 24.09 percent by end-September 2004. It is worth mentioning that growth rates of net classified assets were significantly faster than those of banking system capital base.⁶ While Group I banks reported a rising share of classified assets, most Group II banks had lower ratio values on the previous period.

⁶ In the third quarter of 2004 net classified assets increased by 14 percent against a two percent capital base growth and in a one-year horizon the growth amounted to 32 percent (BGN 128 million) and six percent (BGN 115 million) respectively.

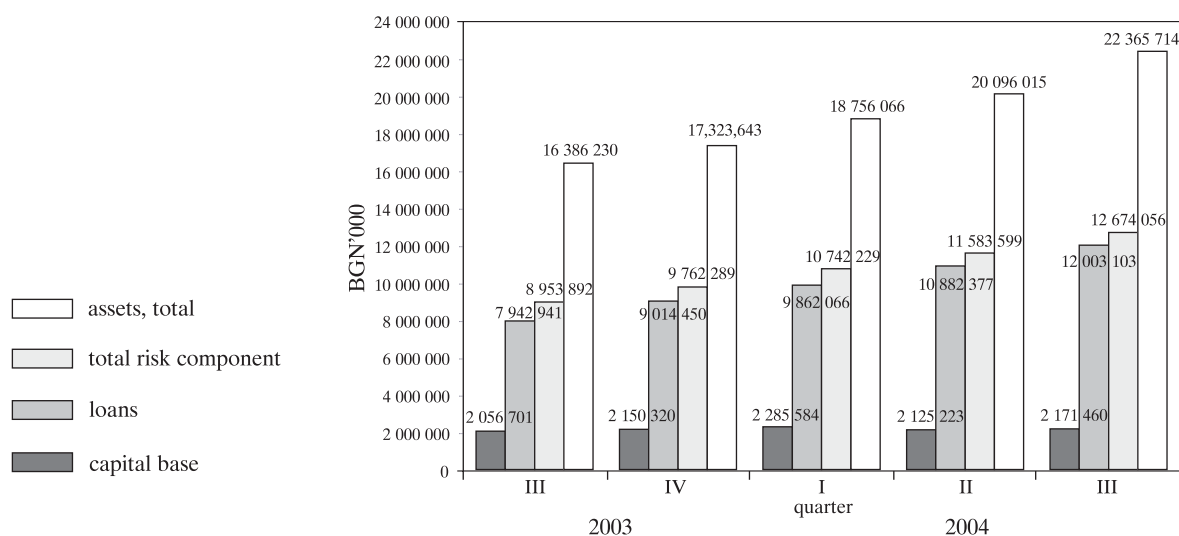
7.2. Capital in Excess of Capital Base Regulations

Following capital indicator overall dynamics, the *surplus of risk-weighted capital*⁷ additionally decreased by BGN 75 million to BGN 618 million (BGN 420 million for Group I banks and BGN 198 million for Group II banks). The ‘melting’ of capital surplus was entirely at the expense of Group I banks. Group II banks reported a surplus growth for the first time. The increased surplus, though insignificant, was attributable to 14 of the 19 Group II banks.

7.3. Capital Base and Capital Leverage

Chart 9

Dynamics in Major Factors Determining the Level of Capital Indicators



The capital base rose slightly by 2.18 percent (BGN 46 million) on the end of June reaching BGN 2171 million. Both bank groups reported capital base growth: Group I banks by BGN 28 million and Group II banks by BGN 18 million. Growth rates of most banks were insignificant and may prove insufficient for maintaining adequate coverage of their asset risk profile.

The values of the *system primary capital leverage* median matched those of the previous quarter: 11.23 percent, although the levels in the two bank groups slightly decreased (by 7.95 percent in Group I banks and by 13.99 percent in Group II banks). These values prove that the degree of bank indebtedness is still acceptable. *End-June conclusions about the levels of primary capital leverage were confirmed: in most banks they returned to previous quarters' values. The trends toward supporting growth by own funds in the large banks are expected to continue while small and medium banks' dependence on funds (in the form of, inter alia, subordinated term debt and debt/equity hybrid instruments) will become stronger.*

Investment in fixed assets is another indicator of banks' capital position. Most banks reported lower values for this indicator as a result of capital base growth in the period under review.

⁷ Calculated on the basis of 12 percent total capital adequacy and taking into account the restrictive requirements of a minimum of BGN 10 million capital base and six percent degree of asset coverage.

8. Liquidity 'L'

- *Expanded lending exerted a growing pressure on the system's liquidity position.*
- *Available tradable assets guaranteed an adequate degree of asset and borrowed fund coverage.*

Within the third quarter of 2004 commercial banks' liquidity had no serious shortfalls and stayed at an adequate level. Traditional liquidity ratios followed the gradual downward trend of the last two or three years. It should be noted that in the review period the banks' liquidity position was affected by two factors: on the one hand, the expansion of minimum required reserves' scope, and on the other, the requirements for banks acting as primary dealers of government securities to bring their liquidity indicators in line with primary and secondary liquidity criteria by 30 September 2004.

8.1. The Increased Liquidity Risk Zone

Banks with a component rating of 3 and complex CAEL ratings of 4 and 3 were included in this zone. These are institutions that had limited access to financial resources. Nevertheless, none of them suffered liquidity problems in the third and previous quarters.

8.2. Major Liquidity Indicators: Level and Trends

The increase in tradable assets (by six percent) and borrowed funds (by seven percent) at similar rates on the previous quarter led to a more gradual decrease in major liquidity indicators. The *share of tradable assets in gross assets* was sustained (26.62 percent) and given growing values of most banks, no grounds of supervisory concerns exist at the present time. *Tradable assets ensured adequate borrowed fund coverage*, judging by the insignificant drop in the indicator's values: the average for the system came to 32.07 percent (32.64 percent by June 2004). The change in this indicator was towards a decline in Group I and Group II banks: by 0.22 percent to 31.19 percent in Group I and by 0.05 to 42.40 percent in Group II.

The reported high credit growth for the review quarter against lagging deposit base growth prompted pressure on banks' liquidity measured by the *loans to deposits* ratio. The banking system's average picked up to 75.28 percent (a 2.74 percent increase in a quarter).⁸ With a few exceptions, 18 banks which actively expanded lending in previous quarters further added to the ratio upward trend. Similar dynamics occurred in *loans to overall funds* ratio⁹ whose levels rose, albeit gradually, from 67.25 percent by end-June 2004 to 68.95 percent by end-September 2004. The values of this ratio a year earlier indicated two trends: increasing dependence of banks on long-term and short-term borrowings for asset growth financing (expressed as a difference between the values of *loans to deposits* and *loans to overall funds* ratios) and a decreasing liquidity buffer of banks.

Pledged securities' share in the total amount of securities issued to guarantee state budget service and obtain financial resources increased from 35.21 percent to 38.26 percent on the previous quarter. Pledged securities' share grew at half of the banks comprising almost the overall portfolio of several of them.

Ten banks reported *deposit concentrations* ranging between 10 and 70 percent.

Noncore borrowed funds went up more slowly, posting a 1.75 percent growth on the previous quarter, despite the increased base used for computing this growth. Banks' dependence on financing by such funds increased considerably to 71 percent on an annual basis. The noncore funds' share declined to 10.60 percent reflecting faster rising assets in the reporting quarter, although the trend reversed in Group I and Group II banks. While Group I banks reported weaker dependence on noncore borrowed funds from the start of 2004, by the end of the third quarter median's values (7.70 percent) were higher than those of Group II banks (5.93 percent).

⁸ The ratio rose by some ten percent in a year reflecting the higher growth of loans (49.95 percent) compared to that of deposits (30.15 percent).

⁹ Overall funds include deposits of financial and nonfinancial institutions, and short-term and long-term borrowings.

Long-term financial resources picked up steadily at rates similar to those in the reference period posting a 30 percent growth (BGN 292 million). These resources were primarily provided by nonresidents as a result of higher interest rates in Bulgaria. Their share in assets rose gradually from three percent by end-September 2003 to seven percent by end-September 2004: another indication of banks' efforts to find alternative credit resources, although at higher prices. These resources did not influence significantly the systems' maturity imbalance owing to their relatively small amount, on the one hand, and to the fact that longer maturity investment projects were mainly financed by them, on the other.

Conclusions about the system's adequate liquidity position were also confirmed by *primary and secondary liquidity*. With a few exceptions, almost all banks showed improved coverage of borrowed resources by liquid assets. In all three bank groups, primary liquidity followed an upward trend, while secondary liquidity decreased on the base period in Group II and Group III banks and increased in Group I banks. The system primary liquidity rose from 9.90 percent by end-June 2004 to 11.48 percent by end-September 2004, while secondary liquidity declined by one percentage point to 26.07 percent. Of note is that values as of third quarter and first half of 2004 were higher than those on a year earlier basis.¹⁰ It proves that despite the attempts to expand their credit portfolios, most banks tried to maintain reasonable levels of tradable assets. On the other hand, these ratios should be seen through the prism of the above factors: the restrictive measures leading to expansion of minimum required reserves' scope, the requirements to the banks acting as government securities primary dealers, as well as banks' ability to obtain liquidity over a short-term horizon.

Based on the reports under Regulation No. 11, the *maturity imbalance* between banks' assets and liabilities was preserved in all-time horizons: inflows exceeded outflows both in the system in general and by individual bank group. While analyzing this information, it should be borne in mind that it reflects mostly bank management's estimates of liquid asset tradability and deposit base stability.

¹⁰ As of September 2003 banking system primary liquidity amounted to 9.30 percent and the secondary liquidity to 24.30 percent.

Appendix 1

Chart 10

Total Amount of Loans by Quarter

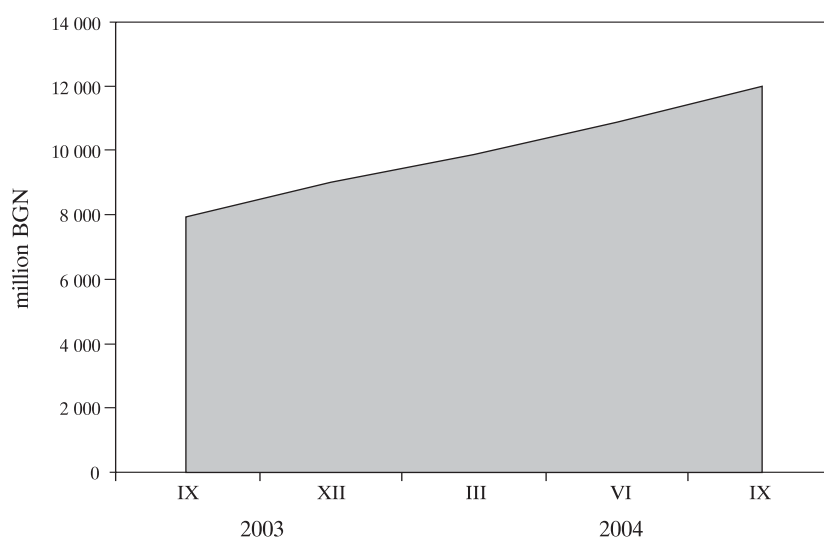


Chart 11

Loan Structure as of September 2004

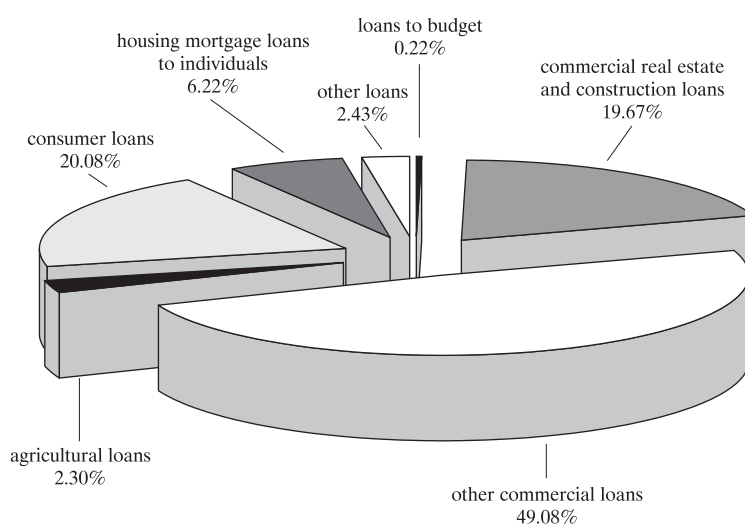


Chart 12

Structure of Claims on Financial and Nonfinancial Institutions by Quarter

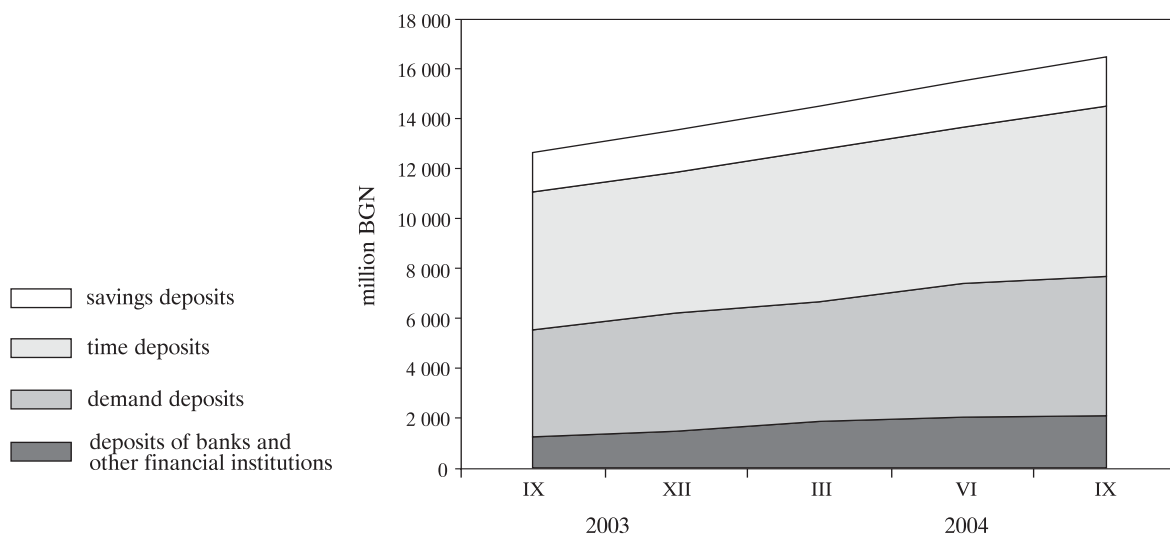


Chart 13

The Loans to Deposits Ratios

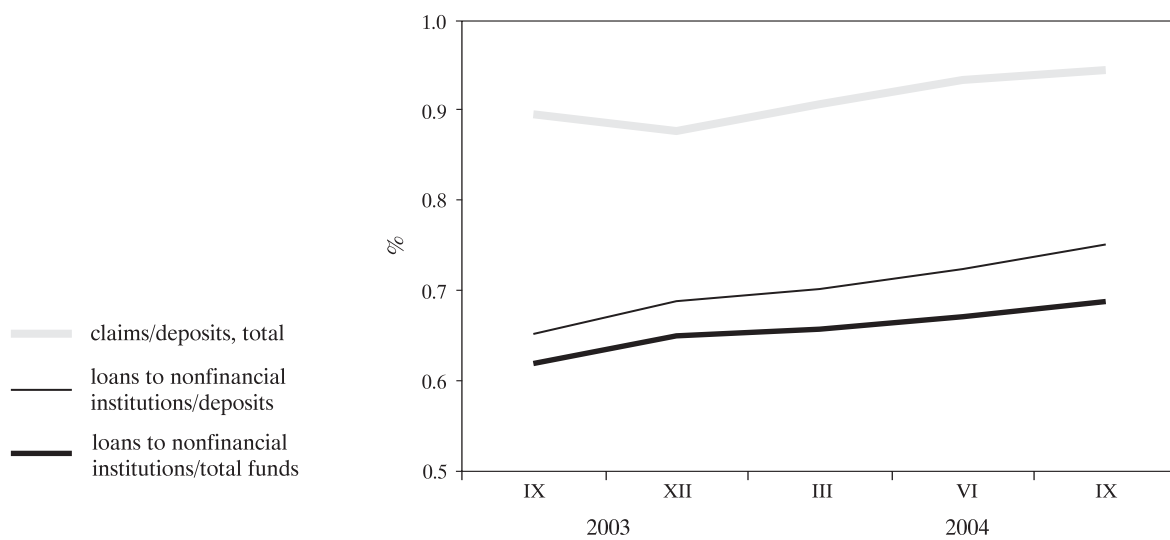


Chart 14

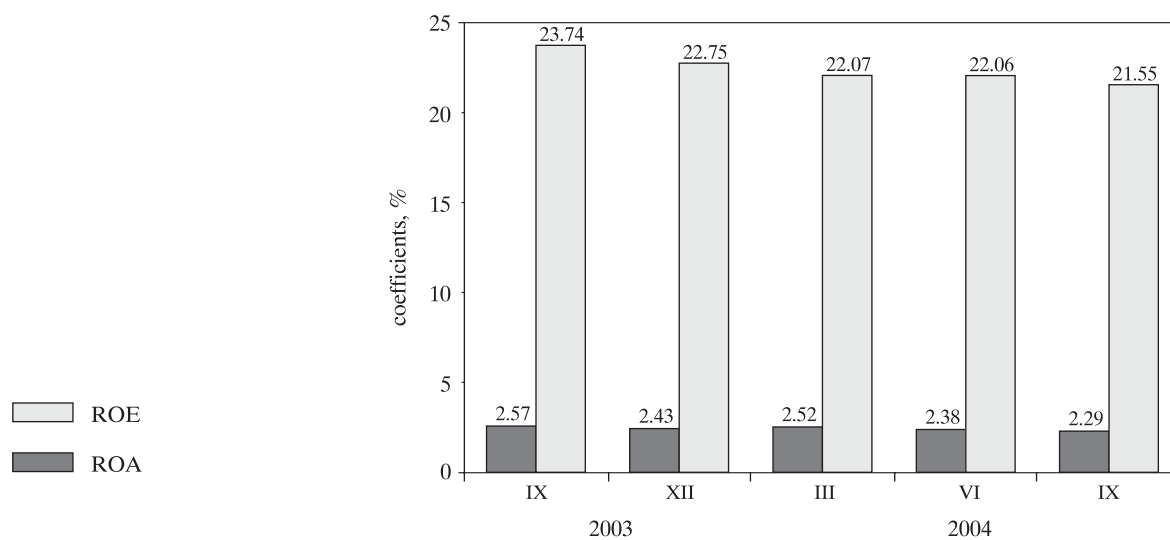
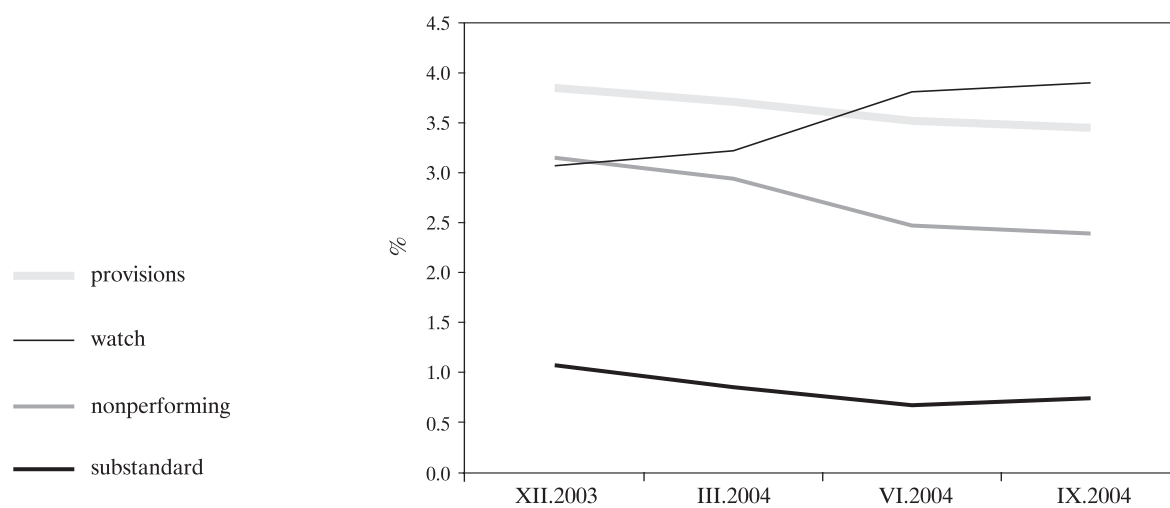
Return on Assets (ROA) and Return on Equity (ROE)

Chart 15

Loans to Nonfinancial Institutions by Quarter and Allocated Provisions

Appendix 2

Used Indicators

Asset Quality Ratios

1.	Problem assets as a percentage of gross assets	Gross assets past due 90 or more days + assets with discontinued interest payment + assets for resale/gross assets
2.	Classified assets as a percentage of gross assets	Gross assets classified as watch, substandard, nonperforming/gross assets
3.	Classified loans as a percentage of gross loans of nonfinancial institutions and other customers	Gross loans classified as watch, substandard, nonperforming/gross loans
4.	Degree of asset provisioning	Provisions in the balance sheet of claims on financial institutions, nonfinancial institutions and other customers and on other assets/gross assets

Ratios Used to Analyze Provisions

5.	Degree of provisioning of claims on financial institutions	Provisions in the balance sheet of claims on financial institutions/gross claims on financial institutions
6.	Degree of provisioning of claims on nonfinancial institutions	Provisions in the balance sheet of claims on nonfinancial institutions and other customers/gross claims on nonfinancial institutions and other customers
7.	Degree of classified exposures provisioning	Total specific provisions on impairment loss under Regulation No. 9/gross classified risk exposures
8.	Degree of portfolio basis provisioning	Provisions allocated on claims on nonfinancial institutions and other customers on a portfolio basis (Regulation No. 9)/gross standard exposures on nonfinancial institutions and other customers to be provisioned on a portfolio basis

Income Ratios

1.	Return on assets, ROA (net profit since early year as a percentage of average assets since early year)	Net profit since early year/Average assets since early year
2.	Core ROA (net revenue from core operations since early year as a percentage of average assets since early year)	Revenue from core operations since early year (= net interest income + trading portfolio profit/loss + revenue from credit service + income from fees on off-balance sheet commitments + service charge on deposits + other fees and commissions) – net credit provisions (only when the figure is positive) – operating expenditure (= salary and social security expenditure + net expenditure on the use of fixed assets + expenditure on hired services paid to shareholders, subsidiaries and associated companies + other expenditure on hired services)/average assets since the beginning of the year
3.	Net interest rate margin	Net interest income since the beginning of the year/average gross interest-bearing assets since the beginning of the year
4.	Share of interest-bearing assets in the average gross assets since the beginning of the year	Average gross interest-bearing assets since the beginning of the year/average gross assets since the beginning of the year
5.	Net interest income as a percentage of average gross assets since the beginning of the year	Net interest income since the beginning of the year/average gross assets since the beginning of the year
6.	Return on interest-bearing assets (%)	Interest income since the beginning of the year/average interest-bearing assets since the beginning of the year
7.	Excess of interest liabilities	Average interest liabilities since the beginning of the year/average gross interest-bearing assets since the beginning of the year
8.	Price of interest asset financing (%)	Interest expenditure since the beginning of the year/average gross interest-bearing assets since the beginning of the year
9.	Noninterest revenue as a percentage of average assets since the beginning of the year	Noninterest revenue since the beginning of the year/average assets since the beginning of the year

10.	Efficiency ratio (noninterest expenditure since the beginning of the year as a percentage of the revenue from core operations)	Noninterest expenditure since the beginning of the year/ revenue from core operations since the beginning of the year
11.	ROE (net profit since the beginning of the year as a percentage of the balance sheet capital and reserves)	Net profit since the beginning of the year/balance sheet capital and reserves

Capital Ratios

1.	Primary capital adequacy ratio	Primary capital/total risk component
2.	Total capital adequacy ratio	Capital base/total risk component
3.	Primary capital leverage	Primary capital/total assets under Regulation No. 8
4.	Degree of asset coverage	Capital base/total assets under Regulation No. 8
5.	Degree of asset risk	Total risk component/ total assets under Regulation No. 8
6.	Capital exceeding regulatory minimum under Regulation No. 8	The smallest amount of: 1) total capital base – BGN 10,000 2) total capital base – 12% of the total risk component or 3) total capital base – 6% of total assets
7.	Net classified assets as a percentage of the capital base	Classified assets (watch, substandard, nonperforming) less provisions on them/capital base
8.	Share of investments in fixed assets	Investments in real estate and other fixed assets/capital base

Base Indicators' Dynamics

1.	Primary capital growth in previous 12 months	Primary capital (current quarter, current year) – primary capital (corresponding quarter, previous year)/primary capital (corresponding quarter, previous year)
2.	Capital base growth in previous 12 months	Capital base (current quarter, current year) – capital base (corresponding quarter, previous year)/capital base (corresponding quarter, previous year)
3.	Asset growth in previous 12 months	Total assets (current quarter, current year) – total assets (corresponding quarter, previous year)/total assets (corresponding quarter, previous year)
4.	Credit growth in previous 12 months	Gross credits (current quarter, current year) – gross credits (corresponding quarter, previous year)/gross credits (corresponding quarter, previous year)
5.	Borrowed funds growth in previous 12 months	Total borrowed funds (current quarter, current year) – total borrowed funds (corresponding quarter, previous year)/ total borrowed funds (corresponding quarter, previous year)
6.	Noncore borrowed funds growth in previous 12 months	Noncore borrowed funds (current quarter, current year) – noncore borrowed funds (corresponding quarter, previous year)/noncore borrowed funds (corresponding quarter, previous year)

Liquidity Ratios

1.	Tradable assets as a percent of gross assets	Tradable assets (source: <i>Regulation No. 11</i> , cash + demand deposits in banks payable at sight or at notice of up to seven days + time deposits in banks payable at sight or at notice of up to one month + claims on repurchase agreements payable at sight or at notice of up to one month + securities in trading portfolio payable at sight or at notice of up to seven days)/gross assets
2.	Tradable assets as a percent of total borrowed funds	Tradable assets/total borrowed funds (=total deposits + obligations under repurchase agreements + short-term borrowings + long-term borrowings + interest liabilities, source: <i>balance sheets</i>)
3.	Noncore borrowed funds as a percent of gross assets	Noncore borrowed funds/gross assets
4.	Loans to deposits ratio	Gross loans of nonfinancial institutions and other customers/total deposits
5.	Pledged securities as a percent of total securities	Pledged securities/total securities (trading portfolio + investment for sale + up to maturity)
6.	Large deposits ratio	Deposits of nonfinancial institutions and other customers exceeding 10 percent of total deposits of nonfinancial institutions and other customers/total deposits of nonfinancial institutions and other customers
7.	Weighted off-balance sheet commitments as a percent of tradable assets	Risk-weighted off-balance sheet commitments under Regulation No. 8/tradable assets
8.	Primary liquidity	Cash/deposits of financial institutions + deposits of nonfinancial institutions + short-term borrowings + long-term borrowings
9.	Secondary liquidity	Liquid assets ratio under Regulation No. 11

II. Methodological Notes

1. In order to ensure full comparability with quarterly data for previous periods the form of monthly *balance sheet* and *income statement* was chosen.

2. Data on individual banks are based on official quarterly reports presented by commercial banks at the BNB.

3. A bank *passport* includes basic information on the structure of shareholder capital and management, which reflect the *actual state at the time of preparing the information* (end-October 2004). Data on basic items of the balance sheet and income statement are based on relevant total lines.

4. Commercial banks are divided into groups by asset size (foreign bank branches are classified into a separate group) as follows:

Group I: *the first ten banks with the biggest assets. It includes Bulbank, DSK Bank, United Bulgarian Bank, HVB Bank Biochim, First Investment Bank, Raiffeisenbank, Bulgaria, Bulgarian Post Bank, SG Expressbank, Economic and Investment Bank (former BRIBANK), and DZI Bank (former Roseximbank).*

Group II: *the other Bulgarian banks. It includes Hebros Commercial Bank, Municipal Bank, Central Cooperative Bank, Corporate Commercial Bank, Allianz Bulgaria Commercial Bank (former Bulgaria-Invest Commercial Bank), Evrobank, Unionbank, Bulgarian-American Credit Bank, ProCredit Bank, BNP Paribas, Bulgaria (former BNP – Dresdnerbank, Bulgaria), UNIBANK (former First East International Bank), Investbank (former Neftinvestbank), Emporiki Bank – Bulgaria (former Commercial Bank of Greece – Bulgaria), Encouragement Bank, International Bank for Trade and Development, Demirbank, Tokuda Bank, WestEast Bank, Texim Private Entrepreneurial Bank.*

Group III: *branches of foreign banks in Bulgaria. It includes Piraeus Bank, ING Bank N. V., National Bank of Greece C. A., Citibank N. A., Alpha Bank, T. C. Ziraat Bank.*

Banks are classified only for statistical purposes. The group classification does not imply banks' financial performance evaluation and it should not be interpreted as a rating system.

5. Appendices containing information on selected coefficients are based on reports under BNB regulations on the capital adequacy, risk exposures evaluation and liquidity. Data on primary liquidity are based on the ratio of cash to borrowed funds, and data on secondary liquidity are based on the ratio of liquid assets to borrowed funds under BNB Regulation No. 11. Data about net cumulative flows based on banks' reports on their liquidity are also published.

III. Banking Supervision Regulations

Open Foreign Currency Positions of Commercial Banks as of 30 September 2004 (under Regulation No. 4 of the BNB)	37
Capital Adequacy of Commercial Banks as of 30 September 2004 (under Regulation No. 8 of the BNB)	37
Liquidity of Commercial Banks as of 30 September 2004 (under Regulation No. 11 of the BNB)	38
Credit Portfolio of Commercial Banks as of 30 September 2004 (under Regulation No. 9 of the BNB)	39
High Liquidity Asset Ratios (share of deposits, %)	40

OPEN FOREIGN CURRENCY POSITIONS OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2004
(under Regulation No. 4 of the BNB)

Banks	Open positions to capital base (%)
Group I	-4.85
Group II	-4.09
Banking system, total	-4.65

Source: BNB.

CAPITAL ADEQUACY OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2004
(under Regulation No. 8 of the BNB)

Banks	Capital base (BGN'000)	Primary capital (BGN'000)	Total risk component (BGN'000)	Total capital adequacy (%)	Primary capital adequacy (%)	Degree of asset coverage (%)
Group I	1 587 288	1 405 237	9 713 771	16.34	14.47	10.27
Group II	584 172	551 249	2 960 285	19.73	18.62	13.10
Banking system, total	2 171 460	1 956 486	12 674 056	17.13	15.44	10.90

Source: BNB.

LIQUIDITY OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2004 (under Regulation No. 11 of the BNB)

(BGN'000)

Items	Total	Overdue assets of 15 or more days/ assets in pawn	At sight up to 7 days	From 8 days to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	Over 1 year
Group I								
Liquid assets, total	4 376 959	942 723						
ASSETS, TOTAL – inflow	14 886 515	1 096 104	4 259 050	1 266 890	759 119	746 793	2 110 352	5 744 311
BORROWED FUNDS, TOTAL (DEPOSITS)	13 679 462		3 722 455	2 606 166	1 271 953	882 992	1 395 309	3 800 587
Coefficient of liquid assets	25.11							
Adjusted coefficient of liquid assets to deposits			114.42	67.66	59.68	84.58	151.25	151.14
Group II								
Liquid assets, total	1 364 375	312 840						
ASSETS, TOTAL – inflow	4 261 041	421 906	1 464 067	230 761	336 192	384 306	520 351	1 325 364
BORROWED FUNDS, TOTAL (DEPOSITS)	3 835 156		916 141	554 035	461 569	547 058	493 149	863 204
Coefficient of liquid assets	27.42							
Adjusted coefficient of liquid assets to deposits			159.81	108.69	75.07	70.25	105.52	153.54
Group III								
Liquid assets, total	447 680	3 943						
ASSETS, TOTAL – inflow	1 451 839	6 585	645 939	68 681	112 918	117 495	215 880	290 926
BORROWED FUNDS, TOTAL (DEPOSITS)	1 394 618		636 932	272 677	171 908	32 733	71 770	208 598
Coefficient of liquid assets	31.82							
Adjusted coefficient of liquid assets to deposits			101.41	25.19	65.69	358.95	300.79	139.47
BANKING SYSTEM, TOTAL								
Liquid assets, total	6 189 014	1 259 506						
ASSETS, TOTAL – inflow	20 599 395	1 524 595	6 369 056	1 566 332	1 208 229	1 248 594	2 846 583	7 360 601
BORROWED FUNDS, TOTAL (DEPOSITS)	18 909 236		5 275 528	3 432 878	1 905 430	1 462 783	1 960 228	4 872 389
Coefficient of liquid assets	26.07							
Adjusted coefficient of liquid assets to deposits			120.73	69.68	63.41	85.36	145.22	151.07

Source: BNB.

CREDIT PORTFOLIO OF COMMERCIAL BANKS AS OF 30 SEPTEMBER 2004
(under Regulation No. 9 of the BNB)

Bank groups	Loans	September 2004
Group I	Total (BGN'000)	9 079 944
	Standard (%)	93.13
	Watch (%)	3.66
	Substandard (%)	0.75
	Nonperforming (%)	2.47
	Provisions (%)	3.53
Group II	Total (BGN'000)	2 608 718
	Standard (%)	91.84
	Watch (%)	4.61
	Substandard (%)	0.81
	Nonperforming (%)	2.74
	Provisions (%)	3.74
Group III	Total (BGN'000)	744 034
	Standard (%)	95.11
	Watch (%)	4.44
	Substandard (%)	0.06
	Nonperforming (%)	0.39
	Provisions (%)	1.48
Banking system, total	Total (BGN'000)	12 432 696
	Standard (%)	92.97
	Watch (%)	3.90
	Substandard (%)	0.72
	Nonperforming (%)	2.40
	Provisions (%)	3.45

Source: BNB.

HIGH LIQUIDITY ASSET RATIOS

(share of deposits, %)

Commercial bank groups		September 2004
Group I	Primary liquidity	11.59
	Secondary liquidity	25.11
Group II	Primary liquidity	11.83
	Secondary liquidity	27.42
Group III	Primary liquidity	9.78
	Secondary liquidity	31.82
Banking system, total	Primary liquidity	11.48
	Secondary liquidity	26.07

Source: BNB.

IV. Balance Sheets and Income Statements

(as of September 2004)

Balance Sheet of the Banking System	43
Income Statement of the Banking System	45
Balance Sheet of Group I Banks	47
Income Statement of Group I Banks	49
Balance Sheet of Group II Banks	51
Income Statement of Group II Banks	53
Balance Sheet of Group III Banks	55
Income Statement of Group III Banks	57

BALANCE SHEET OF THE BANKING SYSTEM AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
(BGN 000)					
ASSETS					
Vault cash and current accounts with the BNB	1 896 651		981 018	141 721	773 912
Claims on financial institutions					
Demand deposits with banks	446 002	71 490	17 224	121 393	235 895
Time deposits with banks	2 522 546	184 142	231 002	951 759	1 155 643
Loans to banks	26 654	0	35	10 810	15 809
Other claims on banks	30 413	0	1 007	20 362	9 044
Loans to other financial institutions	180 325	138 478	5 752	27 838	8 257
Claims on financial institutions, total	3 205 940	394 110	255 020	1 132 162	1 424 648
Less: specific provisions	1 811		1 073	283	455
Claims on financial institutions, net	3 204 129	394 110	253 947	1 131 879	1 424 193
Claims under repurchase agreements	174 836	0	75 469	81 324	18 043
Trading portfolio	1 504 522	280	703 204	560 603	240 435
Investment portfolio					
Investments held to maturity	1 164 533	0	410 843	479 533	274 157
Investments available for sale	652 186	0	273 711	191 683	186 792
Loans to nonfinancial institutions and other customers					
Loans to budget	27 178		27 178	0	0
Commercial loans					
Commercial real estate and construction loans	2 446 479		562 611	1 647 245	236 623
Other commercial loans	6 101 504		2 608 789	2 868 221	624 494
Agricultural loans	286 474		223 772	48 917	13 785
Consumer loans	2 496 638		2 457 114	35 271	4 253
Housing mortgage loans to individuals	772 487		613 093	143 744	15 650
Other loans	301 936	0	185 494	94 469	21 973
Loans to nonfinancial institutions and other customers, total	12 432 696	0	6 678 051	4 837 867	916 778
Less: specific provisions	429 593		266 189	101 753	61 651
Loans to nonfinancial institutions and other customers, net	12 003 103	0	6 411 862	4 736 114	855 127
Memo: purchased loans	26 951				
Assets for resale	13 577		13 577	0	0
Investments in subsidiaries, associated and joint-venture companies	28 785		28 785	0	0
Other assets					
Hedging derivatives	0	0	0	0	0
Other assets	140 268	217	105 158	15 928	18 965
Other assets, total	140 268	217	105 158	15 928	18 965
Intangible assets	128 016		127 793	0	223
Premises and other fixed assets	639 174		638 578	0	596
Assets, total	21 549 780	394 607	10 023 945	7 338 785	3 792 443

(continued)

(continued)		(BGN'000)				
		Total	Including			
			Related parties	BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions						
Demand deposits of banks	138 205	3 333	45 113	58 132	31 627	
Time deposits of banks	1 330 075	364 307	230 677	452 565	282 526	
Deposits of other financial institutions	609 017	1 929	267 952	290 314	48 822	
Deposits of nonfinancial institutions and other customers						
Demand deposits	5 648 223	0	3 718 984	1 192 595	736 644	
Time deposits	6 833 933	0	2 232 064	2 437 967	2 163 902	
Savings deposits	1 956 831	0	964 693	524 305	467 833	
Deposits, total	16 516 284	369 569	7 459 483	4 955 878	3 731 354	
Borrowings under repurchase agreements	216 025	0	124 215	53 702	38 108	
Short-term borrowings						
From the BNB	0		0	0	0	
From banks	227 632	0	2 638	95 003	129 991	
Other	25 814	0	10 330	13 379	2 105	
Long-term borrowings	1 263 130	40	205 195	950 135	107 760	
Memo: borrowings from banks	946 520	40	76 882	790 615	78 983	
Subordinated term debt and debt/equity (hybrid) instruments						
Subordinated term debt	24 311		1 000	22 740	571	
Debt/equity (hybrid) instruments	47 054		0	31 293	15 761	
Other liabilities						
Trading portfolio liabilities	38 215	1 652	1 856	19 910	14 797	
Hedging derivatives	3 817	0	3 788	29	0	
Specific provisions on off-balance sheet commitments	54 529	0	5 020	3 538	45 971	
Other liabilities	542 760	17 180	324 695	109 172	91 713	
Liabilities, total	18 959 571	388 441	8 138 220	6 254 779	4 178 131	
Minority interest in consolidated subsidiaries	0		0	0	0	
Equity						
Common stock	990 986		990 986			
Share premium on common stock	1 452		1 452			
Preferred stock and related premium	0		0			
Reserves						
Retained profit/loss, previous years	24 494	23 715	779			
Statutory reserves	397 373		397 373			
Other reserves	660 287	25 062	635 225			
Cumulative forex translation adjustment	0		0			
Other equity components						
Revaluation – fixed assets	173 608	656	172 952			
Revaluation – investments available for sale	8 301	61	8 240			
Revaluation – cash flow hedges	0	0	0			
Profit/loss, current year	335 347		335 347			
One-off effect of the change in accounting regime	-1 639	0	-1 639			
Equity, total	2 590 209	49 494	2 540 715			
Liabilities, minority interest, and capital, total	21 549 780	437 935	10 678 935	6 254 779	4 178 131	
Memo: credit substitutes and other off-balance sheet commitments	3 355 976	32 546	1 296 302	1 405 154	621 974	

INCOME STATEMENT OF THE BANKING SYSTEM (September 2004)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME					
Interest income from demand deposits with banks	1 573	11	734	326	502
Interest income from time deposits with banks	35 452	2 249	4 449	14 566	14 188
Interest income from loans to banks	434	0	8	185	241
Interest income from other claims on banks	471	31	241	10	189
Interest income from loans to other financial institutions	4 927	3 813	328	415	371
Interest income from claims under repurchase agreements	4 286	0	1 505	2 634	147
Interest income from trading portfolio	58 581	0	33 950	16 959	7 672
Interest income from investment portfolio	66 005	0	26 572	26 746	12 687
Bulgarian government securities	40 233		24 200	12 986	3 047
Other domestic debt securities	4 612	0	2 372	1 588	652
Debt securities issued by foreign governments and international financial institutions	8 783		0	6 364	2 419
Other foreign debt securities	12 377	0	0	5 808	6 569
Interest income from loans	829 192	0	520 600	249 176	59 416
Loans to budget	1 770		1 765	5	0
Commercial real estate and construction loans	140 483		38 193	85 120	17 170
Other commercial loans	379 265		195 698	145 383	38 184
Agricultural loans	16 267		13 564	2 477	226
Consumer loans	225 869		222 198	3 101	570
Housing mortgage loans to individuals	48 961		40 359	7 071	1 531
Other loans	16 577	0	8 823	6 019	1 735
Dividend income	764	0	760	4	0
Interest and dividend income, total	1 001 685	6 104	589 147	311 021	95 413
INTEREST EXPENDITURE					
Interest expenditure on deposits of banks	21 091	4 248	6 486	7 717	2 640
Interest expenditure on deposits of other financial institutions	19 322	34	7 739	8 990	2 559
Interest expenditure on demand deposits of nonfinancial institutions and other customers	21 616	0	14 990	4 461	2 165
Interest expenditure on time deposits of nonfinancial institutions and other customers	132 174	0	55 933	38 987	37 254
Interest expenditure on savings deposits of nonfinancial institutions and other customers	15 346	0	10 794	2 846	1 706
Interest expenditure on borrowings under repurchase agreements	3 603	0	2 997	530	76
Interest expenditure on short-term borrowings	8 528	0	437	2 793	5 298
Interest expenditure on long-term borrowings	28 341	0	4 393	20 232	3 716
Interest expenditure on subordinated term debt	1 968	0	38	1 908	22
Interest expenditure on debt/equity (hybrid) instruments	2 505		0	1 421	1 084
Interest expenditure on other liabilities	2 724		138	1 789	793
Interest expenditure, total	257 218	4 286	103 945	91 674	57 313
INTEREST AND DIVIDEND INCOME, NET	744 467	1818	485 202	219 347	38 100
CREDIT PROVISIONS					
Accrued provisions	264 738	0			
Reintegrated provisions	188 215	0			
Credit provisions, net	76 523	0			

(continued)

(continued)

(BGN'000)

	Total	Including			
		Related parties	BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS					
Gain/loss on securities trading portfolio	31 503	0			
Gain/loss on derivatives held for trading	-3 855	-511			
Gain/loss on other instruments in trading portfolio	-20	0			
Trading portfolio gain/loss, total	27 628	-511			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE					
Gain/loss on investments available for sale	11 462	0			
Gain/loss on instruments effectively hedging investments available for sale	576	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	5 521	0			
OTHER NONINTEREST INCOME					
Loan servicing income	58 715	82			
Fee income on off-balance sheet accounts	18 101	2			
Service charges on deposits	89 455	1			
Other fees and commissions	80 556	46			
Gain/loss on assets held for resale	-635	0			
Gain/loss on sale of other assets	3 109	0			
Gain/loss on foreign currency transactions	40 503	311			
Other noninterest income	22 062	0			
NONINTEREST EXPENDITURE					
Salary, social security, and pension expenditure	225 135				
Occupancy expenditure, net	117 343				
External service expenditure paid to shareholders, subsidiaries and associated companies	8 520				
Other external service expenditure	156 801	2 347			
Other noninterest expenditure	107 929	0			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	409 269	-598			
FOREX REVALUATION GAIN/LOSS	-1 554	25			
EXTRAORDINARY GAIN/LOSS	6 823	0			
TAX	79 191				
MINORITY INTEREST	0				
PROFIT/LOSS, NET	335 347	-573			

BALANCE SHEET OF GROUP I BANKS AS OF 30 SEPTEMBER 2004

(BGN'000)				
	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	1 409 061	702 834	86 344	619 883
Claims on financial institutions				
Demand deposits with banks	288 899	12 771	85 231	190 897
Time deposits with banks	1 626 833	76 124	673 704	877 005
Loans to banks	26 654	35	10 810	15 809
Other claims on banks	26 879	718	19 953	6 208
Loans to other financial institutions	20 281	3 649	14 468	2 164
Claims on financial institutions, total	1 989 546	93 297	804 166	1 092 083
Less: specific provisions	805	384	17	404
Claims on financial institutions, net	1 988 741	92 913	804 149	1 091 679
Claims under repurchase agreements	122 891	46 887	59 537	16 467
Trading portfolio	985 190	404 759	403 293	177 138
Investment portfolio				
Investments held to maturity	1 126 377	399 361	463 563	263 453
Investments available for sale	496 126	211 398	137 380	147 348
Loans to nonfinancial institutions and other customers				
Loans to budget	20 431	20 431	0	0
Commercial loans				
Commercial real estate and construction loans	1 466 298	361 153	961 669	143 476
Other commercial loans	4 236 789	1 707 629	2 084 050	445 110
Agricultural loans	139 452	99 910	34 872	4 670
Consumer loans	2 293 346	2 267 590	22 703	3 053
Housing mortgage loans to individuals	708 175	593 263	104 802	10 110
Other loans	215 453	136 114	60 966	18 373
Loans to nonfinancial institutions and other customers, total	9 079 944	5 186 090	3 269 062	624 792
Less: specific provisions	320 778	213 565	60 432	46 781
Loans to nonfinancial institutions and other customers, net	8 759 166	4 972 525	3 208 630	578 011
Memo: purchased loans	21 285			
Assets for resale	7 940	7 940	0	0
Investments in subsidiaries, associated and joint-venture companies	25 116	25 116	0	0
Other assets				
Hedging derivatives	0	0	0	0
Other assets	83 271	63 243	7 699	12 329
Other assets, total	83 271	63 243	7 699	12 329
Intangible assets	100 766	100 543	0	223
Premises and other fixed assets	492 592	491 996	0	596
Assets, total	15 597 237	7 519 515	5 170 595	2 907 127

(continued)

(continued)	(BGN'000)			
	Total	Including		
		BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions				
Demand deposits of banks	112 171	43 211	54 653	14 307
Time deposits of banks	677 469	151 106	334 186	192 177
Deposits of other financial institutions	397 367	109 458	255 897	32 012
Deposits of nonfinancial institutions and other customers				
Demand deposits	4 011 304	2 623 364	821 026	566 914
Time deposits	5 227 402	1 726 767	1 826 358	1 674 277
Savings deposits	1 736 949	894 202	436 989	405 758
Deposits, total	12 162 662	5 548 108	3 729 109	2 885 445
Borrowings under repurchase agreements	164 562	92 590	39 857	32 115
Short-term borrowings				
From the BNB	0	0	0	0
From banks	191 847	0	65 171	126 676
Other	3 131	3 131	0	0
Long-term borrowings	699 982	70 673	555 114	74 195
Memo: borrowings from banks	683 831	61 719	547 917	74 195
Subordinated term debt and debt/equity (hybrid) instruments				
Subordinated term debt	22 044	0	22 044	0
Debt/equity (hybrid) instruments	31 293	0	31 293	0
Other liabilities				
Trading portfolio liabilities	33 981	1 856	18 311	13 814
Hedging derivatives	3 788	3 788	0	0
Specific provisions on off-balance sheet commitments	48 457	585	3 538	44 334
Other liabilities	339 346	246 687	65 774	26 885
Liabilities, total	13 701 093	5 967 418	4 530 211	3 203 464
Minority interest in consolidated subsidiaries	0	0	0	0
Equity				
Common stock	583 977	583 977		
Share premium on common stock	0	0		
Preferred stock and related premium	0	0		
Reserves				
Retained profit/loss, previous years	7 545	7 545		
Statutory reserves	292 470	292 470		
Other reserves	574 843	574 843		
Cumulative forex translation adjustment	0	0		
Other equity components				
Revaluation – fixed assets	165 270	165 270		
Revaluation – investments available for sale	4 072	4 072		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	270 959	270 959		
One-off effect of the change in accounting regime	-2 992	-2 992		
Equity, total	1 896 144	1 896 144		
Liabilities, minority interest, and capital, total	15 597 237	7 863 562	4 530 211	3 203 464
Memo: credit substitutes and other off-balance sheet commitments	2 062 882	736 794	853 100	472 988

INCOME STATEMENT OF GROUP I BANKS (September 2004)

September 2023)

	Total	Including			(BGN'000)
		BGN	EUR	Other currencies	
INTEREST AND DIVIDEND INCOME					
Interest income from demand deposits with banks	953	269	222	462	
Interest income from time deposits with banks	24 206	2 409	10 067	11 730	
Interest income from loans to banks	412	7	179	226	
Interest income from other claims on banks	192	0	9	183	
Interest income from loans to other financial institutions	446	258	14	174	
Interest income from claims under repurchase agreements	3 744	1 085	2 534	125	
Interest income from trading portfolio	36 137	19 440	11 503	5 194	
Interest income from investment portfolio	60 579	24 968	24 163	11 448	
Bulgarian government securities	36 248	22 684	11 505	2 059	
Other domestic debt securities	4 360	2 284	1 464	612	
Debt securities issued by foreign governments and international financial institutions	7 614	0	5 403	2 211	
Other foreign debt securities	12 357	0	5 791	6 566	
Interest income from loans	601 529	411 320	155 626	34 583	
Loans to budget	1 335	1 330	5	0	
Commercial real estate and construction loans	75 863	22 753	43 607	9 503	
Other commercial loans	252 499	129 702	99 495	23 302	
Agricultural loans	8 218	6 794	1 342	82	
Consumer loans	210 150	207 383	2 284	483	
Housing mortgage loans to individuals	44 490	39 169	4 582	739	
Other loans	8974	4189	4311	474	
Dividend income	31	31	0	0	
Interest and dividend income, total	728 229	459 787	204 317	64 125	
INTEREST EXPENDITURE					
Interest expenditure on deposits of banks	10 500	3 881	5 109	1 510	
Interest expenditure on deposits of other financial institutions	12 791	2 370	8 168	2 253	
Interest expenditure on demand deposits of nonfinancial institutions and other customers	15 267	10 726	2 909	1 632	
Interest expenditure on time deposits of nonfinancial institutions and other customers	94 199	42 978	26 463	24 758	
Interest expenditure on savings deposits of nonfinancial institutions and other customers	13 039	9 804	2 118	1 117	
Interest expenditure on borrowings under repurchase agreements	1 840	1 299	465	76	
Interest expenditure on short-term borrowings	6 863	41	1 660	5 162	
Interest expenditure on long-term borrowings	12 184	2 016	8 266	1 902	
Interest expenditure on subordinated term debt	1 880	0	1 880	0	
Interest expenditure on debt/equity (hybrid) instruments	1 421	0	1 421	0	
Interest expenditure on other liabilities	1 857	25	1 662	170	
Interest expenditure, total	171841	73140	60121	38580	
INTEREST AND DIVIDEND INCOME, NET	556 388	386 647	144 196	25 545	
CREDIT PROVISIONS					
Accrued provisions	156 299				
Reintegrated provisions	105 758				
Credit provisions, net	50 541				

(continued)

(continued)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading potfolio	20 298			
Gain/loss on derivatives held for trading	-3 098			
Gain/loss on other instruments in trading portfolio	9			
Trading portfolio gain/loss, total	17 209			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE				
Gain/loss on investments available for sale	9 576			
Gain/loss on instruments effectively hedging investments available for sale	576			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	5 643			
OTHER NONINTEREST INCOME				
Loan servicing income	39 775			
Fee income on off-balance sheet accounts	10 950			
Service charges on deposits	69 364			
Other fees and commissions	57 083			
Gain/loss on assets held for resale	-89			
Gain/loss on sale of other assets	2 450			
Gain/loss on foreign currency transactions	27251			
Other noninterest income	11 665			
NONINTEREST EXPENDITURE				
Salary, social security, and pension expenditure	152 762			
Occupancy expenditure, net	80 802			
External service expenditure paid to shareholders, subsidiaries and associated companies	4 170			
Other external service expenditure	117 774			
Other noninterest expenditure	71 563			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	330 229			
FOREX REVALUATION GAIN/LOSS	-911			
EXTRAORDINARY GAIN/LOSS	6 527			
TAX	64 886			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	270 959			

BALANCE SHEET OF GROUP II BANKS AS OF 30 SEPTEMBER 2004

(BGN'000)				
	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	357 309	222 089	50 907	84 313
Claims on financial institutions				
Demand deposits with banks	79 576	4 444	32 078	43 054
Time deposits with banks	601 507	76 836	254 387	270 284
Loans to banks	0	0	0	0
Other claims on banks	3 335	289	210	2 836
Loans to other financial institutions	21 566	2 103	13 370	6 093
Claims on financial institutions, total	705 984	83 672	300 045	322 267
Less: specific provisions	1 006	689	266	51
Claims on financial institutions, net	704 978	82 983	299 779	322 216
Claims under repurchase agreements	50 445	27 082	21 787	1 576
Trading portfolio	486 681	282 703	146 794	57 184
Investment portfolio				
Investments held to maturity	38 156	11 482	15 970	10 704
Investments available for sale	111 276	54 265	21 646	35 365
Loans to nonfinancial institutions and other customers				
Loans to budget	6 747	6 747	0	0
Commercial loans				
Commercial real estate and construction loans	708 498	169 151	472 367	66 980
Other commercial loans	1 433 434	702 879	567 261	163 294
Agricultural loans	136 828	123 393	12 481	954
Consumer loans	197 690	184 794	11 752	1 144
Housing mortgage loans to individuals	48 509	9 849	33 445	5 215
Other loans	77 012	49 161	24 257	3 594
Loans to nonfinancial institutions and other customers, total	2 608 718	1 245 974	1 121 563	241 181
Less: specific provisions	97 818	48 655	34 516	14 647
Loans to nonfinancial institutions and other customers, net	2 510 900	1 197 319	1 087 047	226 534
Memo: purchased loans	5 666			
Assets for resale	5 637	5 637	0	0
Investments in subsidiaries, associated and joint-venture companies	3 669	3 669	0	0
Other assets				
Hedging derivatives	0	0	0	0
Other assets	51 563	39 424	6 197	5 942
Other assets, total	51 563	39 424	6 197	5 942
Intangible assets	23 226	23 226	0	0
Premises and other fixed assets	140 297	140 297	0	0
Assets, total	4 484 137	2 090 176	1 650 127	743 834

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions				
Demand deposits of banks	21 922	1 167	3 478	17 277
Time deposits of banks	153 933	57 946	68 384	27 603
Deposits of other financial institutions	177 089	138 178	24 920	13 991
Deposits of nonfinancial institutions and other customers				
Demand deposits	1 185 844	870 431	189 588	125 825
Time deposits	1 297 198	421 526	431 577	444 095
Savings deposits	185 375	67 335	67 003	51 037
Deposits, total	3 021 361	1 556 583	784 950	679 828
Borrowings under repurchase agreements	49 887	31 625	13 845	4 417
Short-term borrowings				
From the BNB	0	0	0	0
From banks	35 785	2 638	29 832	3 315
Other	22 683	7 199	13 379	2 105
Long-term borrowings	563 108	134 522	395 021	33 565
Memo: borrowings from banks	262 649	15 163	242 698	4 788
Subordinated term debt and debt/equity (hybrid) instruments				
Subordinated term debt	2 267	1 000	696	571
Debt/equity (hybrid) instruments	15 761	0	0	15 761
Other liabilities				
Trading portfolio liabilities	2 411	0	1 588	823
Hedging derivatives	29	0	29	0
Specific provisions on off-balance sheet commitments	6 072	4 435	0	1 637
Other liabilities	134 603	70 039	35 504	29 060
Liabilities, total	3 853 967	1 808 041	1 274 844	771 082
Minority interest in consolidated subsidiaries	0	0	0	0
Equity				
Common stock	407 009	407 009		
Share premium on common stock	1 452	1 452		
Preferred stock and related premium	0	0		
Reserves				
Retained profit/loss, previous years	-6 766	-6 766		
Statutory reserves	104 903	104 903		
Other reserves	60 382	60 382		
Cumulative forex translation adjustment	0	0		
Other equity components				
Revaluation – fixed assets	7 682	7 682		
Revaluation – investments available for sale	4 168	4 168		
Revaluation – cash flow hedges	0	0		
Profit/loss, current year	49 987	49 987		
One-off effect of the change in accounting regime	1 353	1 353		
Equity, total	630 170	630 170		
Liabilities, minority interest, and capital, total	4 484 137	2 438 211	1 274 844	771 082
Memo: credit substitutes and other off-balance sheet commitments	869 501	434 611	337 198	97 692

INCOME STATEMENT OF GROUP II BANKS (September 2004)

September 2007)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME				
Interest income from demand deposits with banks	149	6	103	40
Interest income from time deposits with banks	8 090	1 438	4 213	2 439
Interest income from loans to banks	22	1	6	15
Interest income from other claims on banks	247	240	1	6
Interest income from loans to other financial institutions	668	70	401	197
Interest income from claims under repurchase agreements	542	420	100	22
Interest income from trading portfolio	20 615	12 800	5 360	2 455
Interest income from investment portfolio	3 980	1 423	1 526	1 031
Bulgarian government securities	3 615	1 335	1 292	988
Other domestic debt securities	252	88	124	40
Debt securities issued by foreign governments and international financial institutions	93	0	93	0
Other foreign debt securities	20	0	17	3
Interest income from loans	199 752	99 271	77 884	22 597
Loans to budget	435	435	0	0
Commercial real estate and construction loans	57 392	14 675	35 672	7 045
Other commercial loans	108 138	57 995	36 742	13 401
Agricultural loans	7 567	6 409	1 065	93
Consumer loans	15 293	14 483	743	67
Housing mortgage loans to individuals	3 697	647	2 320	730
Other loans	7230	4627	1342	1261
Dividend income	733	729	4	0
Interest and dividend income, total	234 798	116 398	89 598	28 802
INTEREST EXPENDITURE				
Interest expenditure on deposits of banks	3 457	1 627	1 368	462
Interest expenditure on deposits of other financial institutions	6 359	5 336	738	285
Interest expenditure on demand deposits of nonfinancial institutions and other customers	4 725	3 728	605	392
Interest expenditure on time deposits of nonfinancial institutions and other customers	35 535	11 980	11 450	12 105
Interest expenditure on savings deposits of nonfinancial institutions and other customers	2 126	970	619	537
Interest expenditure on borrowings under repurchase agreements	1 727	1 662	65	0
Interest expenditure on short-term borrowings	1 665	396	1 133	136
Interest expenditure on long-term borrowings	16 157	2 377	11 966	1 814
Interest expenditure on subordinated term debt	88	38	28	22
Interest expenditure on debt/equity (hybrid) instruments	1 084	0	0	1 084
Interest expenditure on other liabilities	862	112	127	623
Interest expenditure, total	73785	28226	28099	17460
INTEREST AND DIVIDEND INCOME, NET	161 013	88 172	61 499	11 342
CREDIT PROVISIONS				
Accrued provisions	102 094			
Reintegrated provisions	74 922			
Credit provisions, net	27 172			

(continued)

(continued)		(BGN'000)		
	Total	Including		
		BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS				
Gain/loss on securities trading portfolio	10 817			
Gain/loss on derivatives held for trading	-392			
Gain/loss on other instruments in trading portfolio	-29			
Trading portfolio gain/loss, total	10 396			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE				
Gain/loss on investments available for sale	1 864			
Gain/loss on instruments effectively hedging investments available for sale	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-122			
OTHER NONINTEREST INCOME				
Loan servicing income	17 264			
Fee income on off-balance sheet accounts	6 147			
Service charges on deposits	18 167			
Other fees and commissions	18 901			
Gain/loss on assets held for resale	-546			
Gain/loss on sale of other assets	659			
Gain/loss on foreign currency transactions	8674			
Other noninterest income	9 488			
NONINTEREST EXPENDITURE				
Salary, social security, and pension expenditure	65 401			
Occupancy expenditure, net	33 518			
External service expenditure paid to shareholders, subsidiaries and associated companies	4 350			
Other external service expenditure	28 793			
Other noninterest expenditure	32 577			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS	60 094			
FOREX REVALUATION GAIN/LOSS	277			
EXTRAORDINARY GAIN/LOSS	354			
TAX	10 738			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	49 987			

BALANCE SHEET OF GROUP III BANKS AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	130 281		130 281	56 095	4 470	69 716
Claims on financial institutions						
Demand deposits with banks	77 527	71 490	6 037	9	4 084	1 944
Time deposits with banks	294 206	184 142	110 064	78 042	23 668	8 354
Loans to banks	0	0	0	0	0	0
Other claims on banks	199	0	199	0	199	0
Loans to other financial institutions	138 478	138 478	0	0	0	0
Claims on financial institutions, total	510 410	394 110	116 300	78 051	27 951	10 298
Less: specific provisions	0	0	0	0	0	0
Claims on financial institutions, net	510 410	394 110	116 300	78 051	27 951	10 298
Claims under repurchase agreements	1 500	0	1 500	1 500	0	0
Trading portfolio	32 651	280	32 371	15 742	10 516	6 113
Investment portfolio						
Investments held to maturity	0	0	0	0	0	0
Investments available for sale	44 784	0	44 784	8 048	32 657	4 079
Loans to nonfinancial institutions and other customers						
Loans to budget	0		0	0	0	0
Commercial loans						
Commercial real estate and construction loans	271 683		271 683	32 307	213 209	26 167
Other commercial loans	431 281		431 281	198 281	216 910	16 090
Agricultural loans	10 194		10 194	469	1 564	8 161
Consumer loans	5 602		5 602	4 730	816	56
Housing mortgage loans to individuals	15 803		15 803	9 981	5 497	325
Other loans	9 471	0	9 471	219	9 246	6
Loans to nonfinancial institutions and other customers, total	744 034	0	744 034	245 987	447 242	50 805
Less: specific provisions	10 997	0	10 997	3 969	6 805	223
Loans to nonfinancial institutions and other customers, net	733 037	0	733 037	242 018	440 437	50 582
Memo: purchased loans						
related parties	0					
unrelated parties	0					
Assets for resale	0		0	0	0	0
Other assets						
Hedging derivatives	0	0	0	0	0	0
Other assets	5 434	217	5 217	2 491	2 032	694
Other assets, total	5 434	217	5 217	2 491	2 032	694
Intangible assets	4 024		4 024	4 024	0	0
Premises and other fixed assets	6 285		6 285	6 285	0	0
Assets, total	1 468 406	394 607	1 073 799	414 254	518 063	141 482

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
LIABILITIES, RESERVES, AND FINANCIAL RESULT						
Deposits of financial institutions						
Demand deposits of banks	4 112	3 333	779	735	1	43
Time deposits of banks	498 673	364 307	134 366	21 625	49 995	62 746
Deposits of other financial institutions	34 561	1 929	32 632	20 316	9 497	2 819
Deposits of nonfinancial institutions and other customers						
Demand deposits	451 075	0	451 075	225 189	181 981	43 905
Time deposits	309 333	0	309 333	83 771	180 032	45 530
Savings deposits	34 507	0	34 507	3 156	20 313	11 038
Deposits, total	1 332 261	369 569	962 692	354 792	441 819	166 081
Borrowings under repurchase agreements	1 576	0	1 576	0	0	1 576
Short-term borrowings						
From the BNB	0		0	0	0	0
From banks	0	0	0	0	0	0
Other	0	0	0	0	0	0
Long-term borrowings	40	40	0	0	0	0
Memo: borrowings from banks	40	40	0	0	0	0
Other liabilities						
Trading portfolio liabilities	1 823	1 652	171	0	11	160
Hedging derivatives	0	0	0	0	0	0
Specific provisions on off-balance sheet commitments	0	0	0	0	0	0
Other liabilities	68 811	17 180	51 631	7 969	7 894	35 768
Liabilities, total	1 404 511	388 441	1 016 070	362 761	449 724	203 585
Reserves and financial result						
Reserves						
Retained profit/loss, previous years	23 715	23 715				
Other reserves	25 062	25 062				
Revaluation reserves						
Revaluation – fixed assets	656	656				
Revaluation – investments available for sale	61	61				
Revaluation – cash flow hedges	0	0				
Profit/loss, current year	14 401		14 401	14401		
One-off effect of the change in accounting regime	0	0				
Reserves and financial result, total	63 895	49 494	14 401	14401		
Liabilities, reserves, and financial result, total	1 468 406	437 935	1 030 471	377 162	449 724	203 585
Memo: credit substitutes and other off-balance sheet commitments	423 593	32 546	391 047	124 897	214 856	51 294

INCOME STATEMENT OF GROUP III BANKS (September 2004)

(BGN'000)						
	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME						
Interest income from demand deposits with banks	471	11	460	459	1	0
Interest income from time deposits with banks	3 156	2 249	907	602	286	19
Interest income from loans to banks	0	0	0	0	0	0
Interest income from other claims on banks	32	31	1	1	0	0
Interest income from loans to other financial institutions	3 813	3 813	0	0	0	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	1 829	0	1 829	1 710	96	23
Interest income from investment portfolio	1 446	0	1 446	181	1 057	208
Bulgarian government securities	370		370	181	189	0
Other domestic debt securities	0	0	0	0	0	0
Foreign debt securities issued by foreign governments and international financial institutions	1 076		1 076	0	868	208
Other foreign debt securities	0	0	0	0	0	0
Interest income from loans	27 911	0	27 911	10 009	15 666	2 236
Loans to budget	0		0	0	0	0
Commercial real estate and construction loans	7 228		7 228	765	5 841	622
Other commercial loans	18 628		18 628	8 001	9 146	1 481
Agricultural loans	482		482	361	70	51
Consumer loans	426		426	332	74	20
Housing mortgage loans to individuals	774		774	543	169	62
Other loans	373	0	373	7	366	0
Dividend income	0	0	0	0	0	0
Interest and dividend income, total	38 658	6 104	32 554	12 962	17 106	2 486
INTEREST EXPENDITURE						
Interest expenditure on deposits of banks	7 134	4 248	2 886	978	1 240	668
Interest expenditure on deposits of other financial institutions	172	34	138	33	84	21
Interest expenditure on demand deposits of nonfinancial institutions and other customers	1 624	0	1 624	536	947	141
Interest expenditure on time deposits of nonfinancial institutions and other customers	2 440	0	2 440	975	1 074	391
Interest expenditure on savings deposits of nonfinancial institutions and other customers	181	0	181	20	109	52
Interest expenditure on borrowings under repurchase agreements	36	0	36	36	0	0
Interest expenditure on short-term borrowings	0	0	0	0	0	0
Interest expenditure on long-term borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	5	4	1	1	0	0
Interest expenditure, total	11 592	4 286	7 306	2 579	3 454	1 273
INTEREST AND DIVIDEND INCOME, NET	27 066	1818	25 248	10 383	13 652	1 213
CREDIT PROVISIONS						
Accrued provisions	6 345	0	6 345			
Reintegrated provisions	7 535	0	7 535			
Credit provisions, net	-1 190	0	-1 190			

(continued)

(continued)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
TRADING PORTFOLIO GAIN/LOSS						
Gain/loss on trading portfolio securities	388	0	388			
Gain/loss on derivatives held for trading	-365	-511	146			
Gain/loss on other instruments in trading portfolio	0	0	0			
Total trading portfolio gain/loss	23	-511	534			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE						
Gain/loss on investments available for sale	22	0	22			
Gain/loss on instruments effectively hedging investments available for sale	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME						
Loan servicing income	1 676	82	1 594			
Fee income on off-balance sheet accounts	1 004	2	1 002			
Service charges on deposits	1 924	1	1 923			
Other fees and commissions	4 572	46	4 526			
Gain/loss on assets held for resale	0	0	0			
Gain/loss on sale of other assets	0	0	0			
Gain/loss on foreign currency transactions	4 578	311	4 267			
Other noninterest income	909	0	909			
NONINTEREST EXPENDITURE						
Salary, social security, and pension expenditure	6 972		6 972			
Occupancy expenditure, net	3 023		3 023			
External service expenditure	10 234	2 347	7 887			
Other noninterest expenditure	3 789	0	3 789			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE, AND TAX ITEMS						
	18 946	-598	19 544			
FOREX REVALUATION GAIN/LOSS						
	-920	25	-945			
EXTRAORDINARY GAIN/LOSS						
	-58	0	-58			
TAX						
	3 567		3 567			
PROFIT/LOSS, NET						
	14 401	-573	14 974			

V. Balance Sheets and Income Statements of Individual Commercial Banks*

Allianz Bulgaria Commercial Bank	61
Alpha Bank, Sofia Branch	64
BNP Paribas, Bulgaria	67
Bulbank	70
Bulgarian-American Credit Bank	73
Bulgarian Post Bank	76
Central Cooperative Bank	79
Citibank N. A., Sofia Branch	82
Corporate Commercial Bank	85
Demirbank, Bulgaria	88
DSK Bank	91
DZI Bank	94
Economic and Investment Bank	97
Emporiki Bank – Bulgaria	100
Encouragement Bank	103
Evrobank	106
First Investment Bank	109
Hebros Commercial Bank	112
HVB Bank Biochim	115
ING Bank N. V., Sofia Branch	118
International Bank for Trade and Development	121
Investbank	124
Municipal Bank	127
National Bank of Greece C. A., Sofia Branch	130
Piraeus Bank, Sofia Branch	133
ProCredit Bank	136
Raiffeisenbank, Bulgaria	139
SG Expressbank	142
T. C. Ziraat Bank, Sofia Branch	145
Texim Private Entrepreneurial Bank	148

* Banks are arranged in alphabetical order, not according to bank code.

Tokuda Bank	151
UNIBANK (former First East International Bank)	154
Unionbank	157
United Bulgarian Bank	160
WestEast Bank	163

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	20 529	7 690	2 465	10 374
Claims on financial institutions, net	83 438	17 342	37 506	28 590
Claims under repurchase agreements	975	1	974	0
Trading portfolio	52 703	35 258	13 736	3 709
Investment portfolio	39 905	13 151	16 050	10 704
Loans to nonfinancial institutions and other customers, net	163 071	105 151	43 621	14 299
Loans to budget	545	545	0	0
Commercial loans	132 321	86 927	31 245	14 149
Commercial real estate and construction loans	48 624	27 270	12 986	8 368
Other commercial loans	83 697	59 657	18 259	5 781
Agricultural loans	9 174	9 135	39	0
Consumer loans	14 893	11 550	3 187	156
Housing mortgage loans to individuals	10 372	122	10 250	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	167 305	108 279	44 721	14 305
Less: specific provisions	4 234	3 128	1 100	6
Assets for resale	81	81	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	2 340	2 199	123	18
Intangible assets	1 145	1 145	0	0
Premises and other fixed assets	8 077	8 077	0	0
Assets, total	372 264	190 095	114 475	67 694
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	111 414	85 168	9 427	16 819
Demand deposits of banks	0	0	0	0
Time deposits of banks	15 680	9 213	0	6 467
Deposits of other financial institutions	95 734	75 955	9 427	10 352
Deposits of nonfinancial institutions and other customers	180 079	88 118	42 892	49 069
Demand deposits	72 866	49 501	12 723	10 642
Time deposits	89 468	33 551	21 519	34 398
Savings deposits	17 745	5 066	8 650	4 029
Deposits, total	291 493	173 286	52 319	65 888
Borrowings under repurchase agreements	9 584	1 662	7 922	0
Short-term borrowings	14 493	0	14 173	320
Long-term borrowings	20 281	3 397	16 884	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	7 769	4 612	2 110	1 047
Liabilities, total	343 620	182 957	93 408	67 255
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	28 644	28 644		
Shareholder capital	14 000	14 000		
Reserves	10 071	10 071		
Profit/loss, current year	4 573	4 573		
Liabilities, minority interest, and capital, total	372 264	211 601	93 408	67 255
Memo: credit substitutes and other off-balance sheet commitments	49 372	23 222	16 875	9 275

* Former Bulgaria-Invest Commercial Bank.


INCOME STATEMENT
(September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	17 249	10 669	4 808	1 772
Interest income from claims on financial institutions	1 064	390	459	215
Interest income from claims under repurchase agreements	77	20	57	0
Interest income from trading portfolio	2 174	1 581	465	128
Interest income from investment portfolio	1 735	444	740	551
Interest income from loans	12 112	8 147	3 087	878
Dividend income	87	87	0	0
INTEREST EXPENDITURE	7 863	5 032	1 804	1 027
Interest expenditure on deposits of financial institutions	4 286	3 716	369	201
Interest expenditure on deposits of nonfinancial institutions and other customers	2 385	1 064	503	818
Interest expenditure on borrowings under repurchase agreements	281	252	29	0
Interest expenditure on borrowings	911	0	903	8
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	9 386	5 637	3 004	745
CREDIT PROVISIONS				
Accrued provisions	2 361			
Reintegrated provisions	1 780			
Credit provisions, net	581			
TRADING PORTFOLIO GAIN/LOSS	2 912			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	34			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	-122			
OTHER NONINTEREST INCOME	3 493			
NONINTEREST EXPENDITURE	9 697			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 425			
FOREX REVALUATION GAIN/LOSS	124			
EXTRAORDINARY GAIN/LOSS	0			
TAX	976			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 573			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 345 of 3 June 1997 of the BNB Governing Council. License updated by Order No. 100-00515 of 22 November 1999 and amended by Order No. RD 22-0446 of 27 October 2000, Order No. RD 22-0469 of 20 June 2002
Legal registration	Company file No. 12684 of 1997, vol. 487, p. 202, lot No. 44383
Address of the head office	79 Knyaginya Maria-Luiza Blvd., Sofia 1000 tel. 02/988 54 88; 921 54 04 Website: www.allianz.bg
Management	
Supervisory Board	Oleg Nikolov Nedialkov – Chairman
	Sofia Kamenova Hristova – Deputy Chairman
	Emil Dimitrov Gavrilov – Deputy Chairman
	Maxim Stanev Sirakov
	Temenouga Nenova Matrakchieva
Management Board	Radka Stefanova Rasina
	Dimitar Georgiev Zhelev – Chairman
	Dimitar Ivanov Kostov – Deputy Chairman
	Strahil Nikolov Vidinov – Deputy Chairman
	Svetlozar Georgiev Karaneshev
Shareholders (shares over 10%)	Hristo Borisov Babev
	Allianz Bulgaria Holding Ltd. – 79.39%



ALPHA BANK, SOFIA BRANCH

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	5 848	0	5 848	960	222	4 666
Claims on financial institutions, net	14 960	6 037	8 923	7 500	1 278	145
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	0	0	0	0	0	0
Loans to nonfinancial institutions and other customers, net	91 806	0	91 806	15 666	65 101	11 039
Loans to budget	0	0	0	0	0	0
Commercial loans	82 226	0	82 226	15 504	55 715	11 007
Commercial real estate and construction loans	39 983	0	39 983	1 044	28 562	10 377
Other commercial loans	42 243	0	42 243	14 460	27 153	630
Agricultural loans	0	0	0	0	0	0
Consumer loans	56	0	56	12	44	0
Housing mortgage loans to individuals	336	0	336	150	154	32
Other loans	9 188	0	9 188	0	9 188	0
Loans to nonfinancial institutions and other customers, total	91 806	0	91 806	15 666	65 101	11 039
Less: specific provisions	0	0	0	0	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	798	198	600	478	14	108
Intangible assets	16	0	16	16	0	0
Premises and other fixed assets	1 579	0	1 579	1 579	0	0
Assets, total	115 007	6 235	108 772	26 199	66 615	15 958
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	63 346	26 844	36 502	8 451	27 890	161
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	50 335	26 844	23 491	0	23 491	0
Deposits of other financial institutions	13 011	0	13 011	8 451	4 399	161
Deposits of nonfinancial institutions and other customers	36 648	0	36 648	13 120	16 288	7 240
Demand deposits	16 799	0	16 799	6 910	8 675	1 214
Time deposits	12 677	0	12 677	5 708	3 588	3 381
Savings deposits	7 172	0	7 172	502	4 025	2 645
Deposits, total	99 994	26 844	73 150	21 571	44 178	7 401
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	10 389	458	9 931	193	2	9 736
Liabilities, total	110 383	27 302	83 081	21 764	44 180	17 137
Reserves and financial result, total	4 624	3 454	1 170	1 170		
Reserves	3 454	3 454	0	0		
Profit/loss, current year	1 170	0	1 170	1 170		
Liabilities, reserves, and financial result, total	115 007	30 756	84 251	22 934	44 180	17 137
Memo: credit substitutes and other off-balance sheet commitments	69 671	0	69 671	9 080	59 640	951



ALPHA BANK, SOFIA BRANCH

65

Balance Sheets and Income Statements of Individual Commercial Banks

INCOME STATEMENT (September 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	3 654	78	3 576	639	2905	32
Interest income from claims on financial institutions	149	78	71	66	5	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	3 505	0	3 505	573	2900	32
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 343	573	770	255	498	17
Interest expenditure on deposits of financial institutions	977	573	404	0	404	0
Interest expenditure on deposits of nonfinancial institutions and other customers	366	0	366	255	94	17
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 311	-495	2 806	384	2407	15
CREDIT PROVISIONS						
Accrued provisions	2	0	2			
Reintegrated provisions	15	0	15			
Credit provisions, net	-13	0	-13			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME	729	0	729			
NONINTEREST EXPENDITURE	1 616	0	1 616			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 437	-495	1 932			
FOREX REVALUATION GAIN/LOSS	74	0	74			
EXTRAORDINARY GAIN/LOSS	-58	0	-58			
TAX	283	0	283			
PROFIT/LOSS, NET	1 170	-495	1 665			



ALPHA BANK, SOFIA BRANCH

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 31 of 2 February 1995 of the BNB Governing Council; Order No. 100-00564 of 22 December 1999 for license update. Order No. RD22-571 of 27 November 2000: the BNB grants a permit to Alpha Bank AE, Athens, Greece, as a legal successor of the Ionian and Popular Bank of Greece, Athens (licensed by Order No. 100-00564 of 22 December 1999), to conduct bank activities through a branch named 'Alpha Bank, Sofia Branch'
Legal registration	Entered in the Commercial Register on company file No. 4005, vol. 280, p. 156 by Resolution No. 2 of 1 September 1995 of the Sofia City Court
Address	11 Narodno Sabranie Square, Sofia 1000 tel. 02/981 65 54 Website: www.alphabank.bg
Management	The branch is represented by two persons with first signature or with first and second signatures put jointly, i. e. with the signatures of: Yoannis Yordanis Yordanidis – Governor, and Teoni Georgios Ziguraki – Deputy Governor, put jointly, or with the signature of one of them and one of the signatures of the deputy governors entitled to second signature: Iskrenna Stefanova Makarieva
Shareholders (shares over 10%)	Branch of Alpha Bank AE, Athens, Greece

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	27 234	19 308	607	7 319
Claims on financial institutions, net	43 728	8 383	26 645	8 700
Claims under repurchase agreements	0	0	0	0
Trading portfolio	19 193	3 428	10 967	4 798
Investment portfolio	6 074	6 074	0	0
Loans to nonfinancial institutions and other customers, net	143 098	24 736	99 658	18 704
Loans to budget	0	0	0	0
Commercial loans	143 250	24 835	100 106	18 309
Commercial real estate and construction loans	35 314	0	35 314	0
Other commercial loans	107 936	24 835	64 792	18 309
Agricultural loans	0	0	0	0
Consumer loans	249	241	3	5
Housing mortgage loans to individuals	351	351	0	0
Other loans	504	0	0	504
Loans to nonfinancial institutions and other customers, total	144 354	25 427	100 109	18 818
Less: specific provisions	1 256	691	451	114
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	195	189	0	6
Intangible assets	172	172	0	0
Premises and other fixed assets	15 431	15 431	0	0
Assets, total	255 125	77 721	137 877	39 527
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	55 929	12 215	24 915	18 799
Demand deposits of banks	18 435	58	2 266	16 111
Time deposits of banks	33 428	9 252	22 597	1 579
Deposits of other financial institutions	4 066	2 905	52	1 109
Deposits of nonfinancial institutions and other customers	135 522	61 817	49 588	24 117
Demand deposits	118 396	57 704	43 393	17 299
Time deposits	17 126	4 113	6 195	6 818
Savings deposits	0	0	0	0
Deposits, total	191 451	74 032	74 503	42 916
Borrowings under repurchase agreements	4 417	0	0	4 417
Short-term borrowings	0	0	0	0
Long-term borrowings	4 911	0	4 911	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	4 249	3 832	257	160
Liabilities, total	205 028	77 864	79 671	47 493
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	50 097	50 097		
Shareholder capital	36 000	36 000		
Reserves	11 697	11 697		
Profit/loss, current year	2 400	2 400		
Liabilities, minority interest, and capital, total	255 125	127 961	79 671	47 493
Memo: credit substitutes and other off-balance sheet commitments	250 702	83 304	139 026	28 372

INCOME STATEMENT
 (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	7 476	1 754	4 505	1 217
Interest income from claims on financial institutions	728	133	477	118
Interest income from claims under repurchase agreements	1	0	1	0
Interest income from trading portfolio	183	18	130	35
Interest income from investment portfolio	45	45	0	0
Interest income from loans	6 519	1 558	3 897	1 064
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 400	668	490	242
Interest expenditure on deposits of financial institutions	577	213	197	167
Interest expenditure on deposits of nonfinancial institutions and other customers	599	411	148	40
Interest expenditure on borrowings under repurchase agreements	3	1	2	0
Interest expenditure on borrowings	125	0	125	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	96	43	18	35
INTEREST AND DIVIDEND INCOME, NET	6 076	1 086	4 015	975
CREDIT PROVISIONS				
Accrued provisions	1 163			
Reintegrated provisions	1 402			
Credit provisions, net	-239			
TRADING PORTFOLIO GAIN/LOSS	95			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	12			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	4 174			
NONINTEREST EXPENDITURE	7 629			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 967			
FOREX REVALUATION GAIN/LOSS	15			
EXTRAORDINARY GAIN/LOSS	0			
TAX	582			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 400			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	No. 349 of 14 November 1994 by Resolution of the BNB Governing Council accompanied by Letter No. 440-01046 of 25 November 1994 and Order No. 100-00496 of 18 November 1999 of the BNB Governor for license update
Legal registration	Company file No. 22740 of 1994, lot No. 21406, vol. 259, p. 142
Address of the head office	2 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/921 86 40; 921 86 50 Website: www.bnparibas-bg.com
Management	
Supervisory Board	Matthieu Lacaze
	Gilles Franck
	Jean-Pierre Bernard (in process of deregistration)
	Arnaud Denis Jean-Sebastien Tellier
Management Board	Ullrich-Günther Schubert – Chief Executive Director
	Ivailo Lyubomirov Lyubomirov – Executive Director
	Loic Prime – Executive Director
Shareholders (shares over 10%)	
Bank Nationale de Paris, France – 100%	

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
(BGN 000)				
ASSETS				
Vault cash and current accounts with the BNB	231 234	74 489	7 886	148 859
Claims on financial institutions, net	570 862	47	307 552	263 263
Claims under repurchase agreements	1 980	1 980	0	0
Trading portfolio	245 513	73 684	169 032	2 797
Investment portfolio	913 888	301 938	317 934	294 016
Loans to nonfinancial institutions and other customers, net	1 125 213	520 719	554 403	50 091
Loans to budget	501	501	0	0
Commercial loans	1 002 208	397 815	550 414	53 979
Commercial real estate and construction loans	247 568	42 619	193 722	11 227
Other commercial loans	754 640	355 196	356 692	42 752
Agricultural loans	17 648	15 687	1 406	555
Consumer loans	61 585	57 098	2 826	1 661
Housing mortgage loans to individuals	82 719	70 580	12 139	0
Other loans	1 556	157	49	1 350
Loans to nonfinancial institutions and other customers, total	1 166 217	541 838	566 834	57 545
Less: specific provisions	41 004	21 119	12 431	7 454
Assets for resale	86	86	0	0
Investments in unconsolidated subsidiaries and associated companies	6446	6446	0	0
Other assets, net	6 717	6 305	331	81
Intangible assets	60 462	60 462	0	0
Premises and other fixed assets	109 109	109 109	0	0
Assets, total	3 271 510	1 155 265	1 357 138	759 107
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	142 030	23 773	103 496	14 761
Demand deposits of banks	14 929	837	4 741	9 351
Time deposits of banks	21 764	14 903	3 912	2 949
Deposits of other financial institutions	105 337	8 033	94 843	2 461
Deposits of nonfinancial institutions and other customers	2 364 531	643 427	983 964	737 140
Demand deposits	986 404	481 404	245 480	259 520
Time deposits	1 372 402	161 365	736 185	474 852
Savings deposits	5 725	658	2 299	2 768
Deposits, total	2 506 561	667 200	1 087 460	751 901
Borrowings under repurchase agreements	14 065	14 065	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	187 399	96 819	33 495	57 085
Liabilities, total	2 708 025	778 084	1 120 955	808 986
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	563 485	563 485		
Shareholder capital	166 370	166 370		
Reserves	327 457	327 457		
Profit/loss, current year	69 658	69 658		
Liabilities, minority interest, and capital, total	3 271 510	1 341 569	1 120 955	808 986
Memo: credit substitutes and other off-balance sheet commitments	653 539	151 025	247 588	254 926

INCOME STATEMENT
 (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	115 169	50 735	50 490	13 944
Interest income from claims on financial institutions	7 707	12	3 856	3 839
Interest income from claims under repurchase agreements	35	35	0	0
Interest income from trading portfolio	8 392	2 121	5 960	311
Interest income from investment portfolio	31 312	12 467	11 992	6 853
Interest income from loans	67 723	36 100	28 682	2 941
Dividend income	0	0	0	0
INTEREST EXPENDITURE	17 722	3 851	10 240	3 631
Interest expenditure on deposits of financial institutions	1 413	259	1 111	43
Interest expenditure on deposits of nonfinancial institutions and other customers	14 433	3 545	7 467	3 421
Interest expenditure on borrowings under repurchase agreements	47	47	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	1 829	0	1 662	167
INTEREST AND DIVIDEND INCOME, NET	97 447	46 884	40 250	10 313
CREDIT PROVISIONS				
Accrued provisions	16 349			
Reintegrated provisions	7 610			
Credit provisions, net	8 739			
TRADING PORTFOLIO GAIN/LOSS	1 988			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	233			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	4 168			
OTHER NONINTEREST INCOME	42 999			
NONINTEREST EXPENDITURE	52 463			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	85 633			
FOREX REVALUATION GAIN/LOSS	936			
EXTRAORDINARY GAIN/LOSS	0			
TAX	16 911			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	69 658			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Licensed by Resolution of the BNB Governing Council of 25 February 1991, updated by Order No. 100-00485 of the BNB Governor dated 17 November 1999
Legal registration	Entered under No. 17 of 21 February 1964 of the Sofia Regional Court on company file No. 9 of 1964 and in the Commercial Register under No. 503, vol. 5, p. 99 on company file No. 2010 of 1990 of the Sofia City Court
Address of the head office	7 Sveta Nedelya Sq., Sofia 1000 tel. 02/923 21 11 Website: www.bulbank.bg

Management

Supervisory Board	Andrea Moneta – Chairman
	Alberto Fausto Galmarini – Deputy Chairman
	Massimiliano Moi
	Dimitar Georgiev Zhelev
	Ivan Stancioff
	Jan Bielecki
Management Board	Marcello Arloto
	Levon Hampartsumyan – Chairman and Chief Executive Director
	Alessandro Decio – Deputy Chairman and Chief Operating Director, Executive Director
	Kiril Stefanov
	Stanislav Georgiev
	Kalinka Kirova

Shareholders
(shares over 10%)

UniCredito Italiano S. A. – 85.19%



BULGARIAN-AMERICAN CREDIT BANK

73

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	10 741	1 488	831	8 422
Claims on financial institutions, net	17 164	4 003	2 060	11 101
Claims under repurchase agreements	0	0	0	0
Trading portfolio	5 157	0	5 157	0
Investment portfolio	10 883	4	6 656	4 223
Loans to nonfinancial institutions and other customers, net	221 962	1 322	186 444	34 196
Loans to budget	0	0	0	0
Commercial loans	219 618	1 322	185 022	33 274
Commercial real estate and construction loans	136 105	1	110 066	26 038
Other commercial loans	83 513	1 321	74 956	7 236
Agricultural loans	4 979	0	4 033	946
Consumer loans	174	0	174	0
Housing mortgage loans to individuals	10 473	0	5 857	4 616
Other loans	1 796	0	0	1 796
Loans to nonfinancial institutions and other customers, total	237 040	1 322	195 086	40 632
Less: specific provisions	15 078	0	8 642	6 436
Assets for resale	473	473	0	0
Investments in unconsolidated subsidiaries and associated companies	150	150	0	0
Other assets, net	923	362	502	59
Intangible assets	217	217	0	0
Premises and other fixed assets	4 642	4 642	0	0
Assets, total	272 312	12 661	201 650	58 001
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	13 619	3 886	5 932	3 801
Demand deposits of banks	0	0	0	0
Time deposits of banks	3 162	0	0	3 162
Deposits of other financial institutions	10 457	3 886	5 932	639
Deposits of nonfinancial institutions and other customers	37 434	4 398	14 322	18 714
Demand deposits	12 950	3 140	6 567	3 243
Time deposits	24 484	1 258	7 755	15 471
Savings deposits	0	0	0	0
Deposits, total	51 053	8 284	20 254	22 515
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	14 791	0	14 791	0
Long-term borrowings	130 860	0	110 431	20 429
Subordinated term debt and debt/equity (hybrid) instruments	15 761	0	0	15 761
Other liabilities	10 713	2 589	6 897	1 227
Liabilities, total	223 178	10 873	152 373	59 932
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	49 134	49 134		
Shareholder capital	12 500	12 500		
Reserves	26 703	26 703		
Profit/loss, current year	9 931	9 931		
Liabilities, minority interest, and capital, total	272 312	60 007	152 373	59 932
Memo: credit substitutes and other off-balance sheet commitments	30 112	732	27 352	2 028



BULGARIAN-AMERICAN CREDIT BANK

INCOME STATEMENT (September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	26 329	118	20 699	5 512
Interest income from claims on financial institutions	145	8	22	115
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	72	0	72	0
Interest income from investment portfolio	371	0	318	53
Interest income from loans	25 741	110	20 287	5 344
Dividend income	0	0	0	0
INTEREST EXPENDITURE	8 578	83	5 247	3 248
Interest expenditure on deposits of financial institutions	303	45	44	214
Interest expenditure on deposits of nonfinancial institutions and other customers	713	38	209	466
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	6 478	0	4 994	1 484
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 084	0	0	1 084
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	17 751	35	15 452	2 264
CREDIT PROVISIONS				
Accrued provisions	6 860			
Reintegrated provisions	1 385			
Credit provisions, net	5 475			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	16			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	4 640			
NONINTEREST EXPENDITURE	5 537			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	11 395			
FOREX REVALUATION GAIN/LOSS	161			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 625			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	9 931			



BULGARIAN-AMERICAN CREDIT BANK

75

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution of the BNB Governing Council of 11 July 1996; updated in accordance with the Law on Banks by BNB Order No. 100-000476 of 30 December 1999
Legal registration	Entered by Resolution No.1 of 3 December 1996 of the Sofia City Court on company file No. 12587 of 1996, lot No. 35659, vol. 397, p. 180
Address of the head office	16 Krakra Str., Sofia 1504 tel. 02/965 83 58 e-mail: bacb@baefinvest.com
Management	The Bank is managed and represented jointly by each two of the executive directors: Franc Luis Bauer, Stoyan Nikolov Dinchiyski and Dimitar Stoyanov Vuchev, or by any of the executive directors and the procurator Thomas Michael Higgins.
Board of Directors	Franc Luis Bauer Stephen William Fillo Thomas Michael Higgins Dimitar Stoyanov Vuchev Michael Hunsberger Dennis Earl Fiehler Marshal Lee Miller Stoyan Nikolov Dinchiyski
Shareholders (shares over 10%)	Bulgarian-American Investment Fund – 99.9%



BULGARIAN POST BANK

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	89 817	45 761	8 220	35 836
Claims on financial institutions, net	79 450	20 333	6 789	52 328
Claims under repurchase agreements	16 161	11 996	3 977	188
Trading portfolio	54 856	22 800	15 018	17 038
Investment portfolio	84 679	12 928	60 748	11 003
Loans to nonfinancial institutions and other customers, net	695 026	340 916	315 323	38 787
Loans to budget	0	0	0	0
Commercial loans	527 063	238 550	251 667	36 846
Commercial real estate and construction loans	48 250	14 388	19 624	14 238
Other commercial loans	478 813	224 162	232 043	22 608
Agricultural loans	2 623	2 623	0	0
Consumer loans	84 567	83 902	554	111
Housing mortgage loans to individuals	43 634	25 715	17 071	848
Other loans	54 907	6 101	47 786	1 020
Loans to nonfinancial institutions and other customers, total	712 794	356 891	317 078	38 825
Less: specific provisions	17 768	15 975	1 755	38
Assets for resale	1 224	1 224	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	10 450	7 881	938	1 631
Intangible assets	3 136	3 136	0	0
Premises and other fixed assets	18 765	18 765	0	0
Assets, total	1 053 564	485 740	411 013	156 811
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	133 550	51 960	66 822	14 768
Demand deposits of banks	1 796	1 315	211	270
Time deposits of banks	110 829	35 007	64 682	11 140
Deposits of other financial institutions	20 925	15 638	1 929	3 358
Deposits of nonfinancial institutions and other customers	670 552	330 569	168 469	171 514
Demand deposits	207 419	147 864	35 878	23 677
Time deposits	280 838	114 133	79 132	87 573
Savings deposits	182 295	68 572	53 459	60 264
Deposits, total	804 102	382 529	235 291	186 282
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	131 948	12 316	119 632	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	21 906	15 704	3 044	3 158
Liabilities, total	957 956	410 549	357 967	189 440
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	95 608	95 608		
Shareholder capital	51 250	51 250		
Reserves	30 937	30 937		
Profit/loss, current year	13 421	13 421		
Liabilities, minority interest, and capital, total	1 053 564	506 157	357 967	189 440
Memo: credit substitutes and other off-balance sheet commitments	106 047	57 714	40 731	7 602

INCOME STATEMENT
(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	45 621	25 574	16 654	3 393
Interest income from claims on financial institutions	1 762	674	462	626
Interest income from claims under repurchase agreements	686	549	104	33
Interest income from trading portfolio	2 073	1 071	705	297
Interest income from investment portfolio	3 461	517	2 492	452
Interest income from loans	37 639	22 763	12 891	1 985
Dividend income	0	0	0	0
INTEREST EXPENDITURE	13 095	6 092	5 334	1 669
Interest expenditure on deposits of financial institutions	2 780	699	1 389	692
Interest expenditure on deposits of nonfinancial institutions and other customers	6 938	4 490	1 486	962
Interest expenditure on borrowings under repurchase agreements	307	220	75	12
Interest expenditure on borrowings	3 066	682	2 384	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	4	1	0	3
INTEREST AND DIVIDEND INCOME, NET	32 526	19 482	11 320	1 724
CREDIT PROVISIONS				
Accrued provisions	5 822			
Reintegrated provisions	7 392			
Credit provisions, net	-1 570			
TRADING PORTFOLIO GAIN/LOSS	2 853			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	637			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	15 131			
NONINTEREST EXPENDITURE	36 440			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	16 277			
FOREX REVALUATION GAIN/LOSS	433			
EXTRAORDINARY GAIN/LOSS	-4			
TAX	3 285			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	13 421			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 21 of 14 March 1991 and No.104 of 31 March 1992 of the BNB Governing Council; updated by Order No. 100-00488 of 17 November 1999
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Legal registration	Entered by Resolution of the Sofia City Court on company file No. 10646 of 1991, lot No. 14, vol. 4, p. 91
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Address of the head office	14 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/816 60 00 Website: www.postbank.bg
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Management

Supervisory Board

George Gondicas – Deputy Chairman

David Watson

Andrew Stone

Management Board

Theodore Karakassis – Deputy Chairman and Executive Director

Antonios C. Hassiotis – Chief Executive Director (in process of registration)

Athanassios Dionissios Petropoulos – Executive Director

Asen Vasilev Yagodin

Borislav Ivanov Moyanov (in process of deletion)

Shareholders

(shares over 10%)

ALIKO/CEN Balkan Holdings Limited – 91.71%



CENTRAL COOPERATIVE BANK

79

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	81 592	61 603	9 469	10 520
Claims on financial institutions, net	45 683	11 001	9 426	25 256
Claims under repurchase agreements	43 120	20 731	20 813	1 576
Trading portfolio	18 784	5 370	13 414	0
Investment portfolio	32 380	31 768	612	0
Loans to nonfinancial institutions and other customers, net	218 230	152 791	45 590	19 849
Loans to budget	674	674	0	0
Commercial loans	172 736	109 878	41 967	20 891
Commercial real estate and construction loans	20 881	11 236	8 772	873
Other commercial loans	151 855	98 642	33 195	20 018
Agricultural loans	19 393	16 266	3 127	0
Consumer loans	25 468	25 247	168	53
Housing mortgage loans to individuals	1 036	500	455	81
Other loans	2 572	2 343	121	108
Loans to nonfinancial institutions and other customers, total	221 879	154 908	45 838	21 133
Less: specific provisions	3 649	2 117	248	1 284
Assets for resale	757	757	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	12 722	7 462	295	4 965
Intangible assets	2 022	2 022	0	0
Premises and other fixed assets	16 758	16 758	0	0
Assets, total	472 048	310 263	99 619	62 166
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	18 352	10 764	7 253	335
Demand deposits of banks	565	76	293	196
Time deposits of banks	11 869	5 002	6 867	0
Deposits of other financial institutions	5 918	5 686	93	139
Deposits of nonfinancial institutions and other customers	353 726	193 850	98 797	61 079
Demand deposits	107 270	93 230	5 282	8 758
Time deposits	223 054	89 157	87 210	46 687
Savings deposits	23 402	11 463	6 305	5 634
Deposits, total	372 078	204 614	106 050	61 414
Borrowings under repurchase agreements	15 067	15 067	0	0
Short-term borrowings	5 117	5 117	0	0
Long-term borrowings	12 799	12 799	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	27 683	13 507	4 270	9 906
Liabilities, total	432 744	251 104	110 320	71 320
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	39 304	39 304		
Shareholder capital	16 170	16 170		
Reserves	20 769	20 769		
Profit/loss, current year	2 365	2 365		
Liabilities, minority interest, and capital, total	472 048	290 408	110 320	71 320
Memo: credit substitutes and other off-balance sheet commitments	50 181	34 673	7 204	8 304



INCOME STATEMENT (September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	21 495	14 485	4 592	2 418
Interest income from claims on financial institutions	1 386	163	907	316
Interest income from claims under repurchase agreements	107	71	36	0
Interest income from trading portfolio	1 221	1 025	191	5
Interest income from investment portfolio	285	285	0	0
Interest income from loans	17 909	12 354	3 458	2 097
Dividend income	587	587	0	0
INTEREST EXPENDITURE	8 240	3 626	2 940	1 674
Interest expenditure on deposits of financial institutions	529	247	274	8
Interest expenditure on deposits of nonfinancial institutions and other customers	5 991	2 356	2 557	1 078
Interest expenditure on borrowings under repurchase agreements	558	558	0	0
Interest expenditure on borrowings	465	465	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	697	0	109	588
INTEREST AND DIVIDEND INCOME, NET	13 255	10 859	1 652	744
CREDIT PROVISIONS				
Accrued provisions	4 166			
Reintegrated provisions	3 461			
Credit provisions, net	705			
TRADING PORTFOLIO GAIN/LOSS	618			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-70			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	10 098			
NONINTEREST EXPENDITURE	20 401			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 795			
FOREX REVALUATION GAIN/LOSS	403			
EXTRAORDINARY GAIN/LOSS	0			
TAX	833			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 365			



CENTRAL COOPERATIVE BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 14 of 25 February 1991 of the BNB Governing Council. Updated by Order No. 100-00493 of the BNB Governor dated 17 November 1999
Legal registration	Resolution of the Sofia City Court of 28 March 1991 on company file No. 5227 of 1991, lot No. 334, vol. 4, p. 11
Address of the head office	103 Rakovski Str., Sofia 1000 tel. 02/926 62 66 Website: www.ccbank.bg
Management	
Supervisory Board	Nikola Alexandrov Damyanov – Chairman Bozhidar Ivanov Grigorov Central Cooperative Union represented by Petar Ivanov Stefanov
Management Board	Alexander Asenov Vodenicharov – Chairman Georgi Dimitrov Konstantinov – Executive Director Borislav Yavorov Chilikov – Executive Director Lazar Petrov Iliev – Executive Director Victor Ivanov Mechkarov – Executive Director Alexander Dimitrov Kerezov Tsvetan Tsankov Botev Biser Yordanov Slavkov
Procurator	Tihomir Angelov Atanasov
Shareholders (shares over 10%)	Chimimport – 39.70% Central Cooperative Union – 23.44%



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Related parties	(BGN 000)			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	52 555	0	52 555	35 852	160	16 543
Claims on financial institutions, net	236 354	156 137	80 217	59 370	12 913	7 934
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	280	280	0	0	0	0
Investment portfolio	21 303	0	21 303	7 987	13 316	0
Loans to nonfinancial institutions and other customers, net	86 350	0	86 350	49 853	36 491	6
Loans to budget	0	0	0	0	0	0
Commercial loans	90 401	0	90 401	50 993	39 408	0
Commercial real estate and construction loans	15 797	0	15 797	0	15 797	0
Other commercial loans	74 604	0	74 604	50 993	23 611	0
Agricultural loans	0	0	0	0	0	0
Consumer loans	138	0	138	138	0	0
Housing mortgage loans to individuals	659	0	659	659	0	0
Other loans	7	0	7	1	0	6
Loans to nonfinancial institutions and other customers, total	91 205	0	91 205	51 791	39 408	6
Less: specific provisions	4 855	0	4 855	1 938	2 917	0
Assets for resale	0	0	0	0	0	0
Other assets, net	670	19	651	415	3	233
Intangible assets	311	0	311	311	0	0
Premises and other fixed assets	608	0	608	608	0	0
Assets, total	398 431	156 436	241 995	154 396	62 883	24 716
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	4 477	24	4 453	1 786	1 459	1 208
Demand deposits of banks	24	24	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	4 453	0	4 453	1 786	1 459	1 208
Deposits of nonfinancial institutions and other customers	370 967	0	370 967	161 643	183 279	26 045
Demand deposits	266 299	0	266 299	139 705	113 394	13 200
Time deposits	104 668	0	104 668	21 938	69 885	12 845
Savings deposits	0	0	0	0	0	0
Deposits, total	375 444	24	375 420	163 429	184 738	27 253
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	40	40	0	0	0	0
Other liabilities	22 748	1 653	21 095	1 839	2 506	16 750
Liabilities, total	398 232	1 717	396 515	165 268	187 244	44 003
Reserves and financial result, total	199	-2 185	2 384	2 384		
Reserves	-2 185	-2 185	0	0		
Profit/loss, current year	2 384	0	2 384	2 384		
Liabilities, reserves, and financial result, total	398 431	-468	398 899	167 652	187 244	44 003
Memo: credit substitutes and other off-balance sheet commitments	116 889	18 174	98 715	50 774	21 449	26 492

INCOME STATEMENT (September 2004)

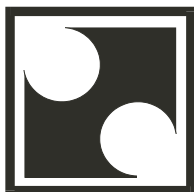
(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	4 737	1 559	3 178	1 820	1183	175
Interest income from claims on financial institutions	1 935	1 559	376	376	0	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	51	0	51	0	51	0
Interest income from investment portfolio	370	0	370	181	189	0
Interest income from loans	2 381	0	2 381	1 263	943	175
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 789	51	1 738	509	1106	123
Interest expenditure on deposits of financial institutions	198	47	151	120	22	9
Interest expenditure on deposits of nonfinancial institutions and other customers	1 583	0	1 583	385	1 084	114
Interest expenditure on borrowings under repurchase agreements	3	0	3	3	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	5	4	1	1	0	0
INTEREST AND DIVIDEND INCOME, NET	2 948	1 508	1 440	1 311	77	52
CREDIT PROVISIONS						
Accrued provisions	3 030	0	3 030			
Reintegrated provisions	4 169	0	4 169			
Credit provisions, net	-1 139	0	-1 139			
TRADING PORTFOLIO GAIN/LOSS	397	0	397			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	21	0	21			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME	3 735	1	3 734			
NONINTEREST EXPENDITURE	4 598	1	4 597			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 642	1 508	2 134			
FOREX REVALUATION GAIN/LOSS	-657	0	-657			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	601	0	601			
PROFIT/LOSS, NET	2 384	1 508	876			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Order No. RD 22-319 of 22 June 2000 and Order No. RD 22-319 of 11 December 2000
Legal registration	Entered under No. 57 183, vol. 627, reg. I, p. 132 on company file No. 8611 of the Sofia City Court of 2000
Address of the branch	2 Knyaginya Maria-Luiza Blvd., floor 5, Sofia 1000 tel. 02/917 51 00; 917 51 01; 917 51 02
Management	
Management Board	Amin Manekia – Country Corporate Officer Janet Hekman – Corporate Bank Head
Shareholders (shares over 10%)	
Branch of Citibank N. A., New York, the USA	



CORPORATE COMMERCIAL BANK

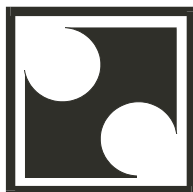
85

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	19 369	12 094	2 355	4 920
Claims on financial institutions, net	99 904	9 014	63 294	27 596
Claims under repurchase agreements	0	0	0	0
Trading portfolio	25 679	18 615	7 012	52
Investment portfolio	817	814	3	0
Loans to nonfinancial institutions and other customers, net	149 012	71 240	47 305	30 467
Loans to budget	0	0	0	0
Commercial loans	139 567	63 586	45 562	30 419
Commercial real estate and construction loans	39 845	22 586	15 228	2 031
Other commercial loans	99 722	41 000	30 334	28 388
Agricultural loans	4 878	4 878	0	0
Consumer loans	2 033	1 944	38	51
Housing mortgage loans to individuals	2 203	389	1 756	58
Other loans	2 031	1 812	219	0
Loans to nonfinancial institutions and other customers, total	150 712	72 609	47 575	30 528
Less: specific provisions	1 700	1 369	270	61
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	5	5	0	0
Other assets, net	1 235	1 224	8	3
Intangible assets	373	373	0	0
Premises and other fixed assets	9 014	9 014	0	0
Assets, total	305 408	122 393	119 977	63 038
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	23 616	10 841	8 037	4 738
Demand deposits of banks	12	12	0	0
Time deposits of banks	7 705	0	3 921	3 784
Deposits of other financial institutions	15 899	10 829	4 116	954
Deposits of nonfinancial institutions and other customers	249 647	120 522	77 849	51 276
Demand deposits	136 264	82 236	27 785	26 243
Time deposits	71 069	20 797	36 354	13 918
Savings deposits	42 314	17 489	13 710	11 115
Deposits, total	273 263	131 363	85 886	56 014
Borrowings under repurchase agreements	3 056	0	3 056	0
Short-term borrowings	0	0	0	0
Long-term borrowings	236	236	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 091	982	25	84
Liabilities, total	277 646	132 581	88 967	56 098
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	27 762	27 762		
Shareholder capital	20 000	20 000		
Reserves	4 293	4 293		
Profit/loss, current year	3 469	3 469		
Liabilities, minority interest, and capital, total	305 408	160 343	88 967	56 098
	60 815	28 144	23 580	9 091



CORPORATE COMMERCIAL BANK

INCOME STATEMENT (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	16 380	8 321	3 880	4 179
Interest income from claims on financial institutions	1 305	535	550	220
Interest income from claims under repurchase agreements	9	3	6	0
Interest income from trading portfolio	1 736	1 223	512	1
Interest income from investment portfolio	57	57	0	0
Interest income from loans	13 273	6 503	2 812	3 958
Dividend income	0	0	0	0
INTEREST EXPENDITURE	5 881	2 846	1 682	1 353
Interest expenditure on deposits of financial institutions	684	486	184	14
Interest expenditure on deposits of nonfinancial institutions and other customers	5 105	2 291	1 475	1 339
Interest expenditure on borrowings under repurchase agreements	66	43	23	0
Interest expenditure on borrowings	25	25	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	1	1	0	0
INTEREST AND DIVIDEND INCOME, NET	10 499	5 475	2 198	2 826
CREDIT PROVISIONS				
Accrued provisions	969			
Reintegrated provisions	696			
Credit provisions, net	273			
TRADING PORTFOLIO GAIN/LOSS	364			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	4			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	3 004			
NONINTEREST EXPENDITURE	9 564			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 034			
FOREX REVALUATION GAIN/LOSS	275			
EXTRAORDINARY GAIN/LOSS	0			
TAX	840			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	3 469			



CORPORATE COMMERCIAL BANK

87

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 24 of 21 January 1994. Pursuant to the provisions of § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks, the license was updated by Order No. 100-00499 of the BNB Governor dated 18 November 1999
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Legal registration	Resolution of the Sofia City Court of 6 May 1994 on company file No. 3989 of 1994, lot No. 568, vol. 11, reg. II, p. 29. Changed by Resolution No. 8 of the Sofia City Court dated 19 June 2000.
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Address of the head office	10 Graf Ignatiev Str., Sofia 1000 tel. 02/980 93 62 Website: www.corpbank.bg
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Management

Supervisory Board	Tsvetan Radoev Vasilev – Chairman
	Nikolai Ivanov Velkov – Deputy Chairman
	Zlatozar Krustev Surlekov
	Alipi Petrov Alipiev
	Biser Andonov Lazov
Management Board	Yanko Dimitrov Ivanov – Chairman and Executive Director
	Ilian Atanasov Zafirov – Executive Director
	Orlin Nikolov Rousev – Executive Director

Shareholders

(shares over 10%)

James Vincent Hoey – 18.57%
Bromak – 37.93% directly, and jointly with Victoria Insurance Company (indirectly) – 47.93%
Yanko Dimitrov Ivanov – 11.50% directly, and jointly with Victoria Insurance Company – up to 21.50%



DEMIRBANK, BULGARIA

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	(BGN 000)		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	3 463	1 657	794	1 012
Claims on financial institutions, net	4 357	1 000	238	3 119
Claims under repurchase agreements	0	0	0	0
Trading portfolio	15 802	8 544	7 210	48
Investment portfolio	4	4	0	0
Loans to nonfinancial institutions and other customers, net	27 190	7 621	11 324	8 245
Loans to budget	0	0	0	0
Commercial loans	26 601	7 128	11 237	8 236
Commercial real estate and construction loans	4 802	946	3 070	786
Other commercial loans	21 799	6 182	8 167	7 450
Agricultural loans	0	0	0	0
Consumer loans	1 104	586	357	161
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	27 705	7 714	11 594	8 397
Less: specific provisions	515	93	270	152
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	126	120	0	6
Intangible assets	125	125	0	0
Premises and other fixed assets	1 464	1 464	0	0
Assets, total	52 531	20 535	19 566	12 430
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	4 204	1 294	62	2 848
Demand deposits of banks	4	0	1	3
Time deposits of banks	2 837	0	0	2 837
Deposits of other financial institutions	1 363	1 294	61	8
Deposits of nonfinancial institutions and other customers	18 045	7 662	5 430	4 953
Demand deposits	8 802	6 085	640	2 077
Time deposits	8 008	1 094	4 383	2 531
Savings deposits	1 235	483	407	345
Deposits, total	22 249	8 956	5 492	7 801
Borrowings under repurchase agreements	2 867	0	2 867	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	9 359	541	1 870	6 948
Liabilities, total	34 475	9 497	10 229	14 749
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	18 056	18 056		
Shareholder capital	20 000	20 000		
Reserves	-2 111	-2 111		
Profit/loss, current year	167	167		
Liabilities, minority interest, and capital, total	52 531	27 553	10 229	14 749
Memo: credit substitutes and other off-balance sheet commitments	7 310	2 654	3 479	1 177



DEMIRBANK, BULGARIA

89

INCOME STATEMENT (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 452	629	1 308	515
Interest income from claims on financial institutions	369	3	196	170
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	710	283	427	0
Interest income from investment portfolio	93	0	93	0
Interest income from loans	1 280	343	592	345
Dividend income	0	0	0	0
INTEREST EXPENDITURE	438	117	226	95
Interest expenditure on deposits of financial institutions	209	75	97	37
Interest expenditure on deposits of nonfinancial institutions and other customers	229	42	129	58
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 014	512	1 082	420
CREDIT PROVISIONS				
Accrued provisions	711			
Reintegrated provisions	966			
Credit provisions, net	-255			
TRADING PORTFOLIO GAIN/LOSS	411			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	73			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	1 051			
NONINTEREST EXPENDITURE	3 512			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	292			
FOREX REVALUATION GAIN/LOSS	-30			
EXTRAORDINARY GAIN/LOSS	-95			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	167			



DEMIRBANK, BULGARIA

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	No. 100-000101 of 12 March 1999
Legal registration	Resolution No. 1 of the Sofia City Court dated 15 April 1999, company file No. 3936 of 1999
Address of the head office	8 Tsar Osvoboditel Blvd., Sofia 1000 tel. 02/989 44 44 Website: www.demirbank.bg
Management	
Supervisory Board	Tayfun Bayazit – Chairman
	Huseyin Faik Acikalin
	Ismail Hasan Akchakayaluoglu
	Imre Barmanbek
	Mevlyut Tyufan Darbaz
Management Board	Haluk Zia Kurcher – Chief Executive Director
	Rafi Karagiol – Executive Director
	Sinan Kircali – Executive Director
	Ognyan Yordanov – Executive Director
Shareholders (shares over 10%)	
Isil Dogan, Permit No. 22-700 of 18 December 2001 – 50%	
Halit Djangalluoglu, Permit No. 22-701 of 18 December 2001 – 40%	



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	202 031	132 885	14 377	54 769
Claims on financial institutions, net	185 251	7	46 237	139 007
Claims under repurchase agreements	4 713	4 713	0	0
Trading portfolio	110 676	34 371	42 467	33 838
Investment portfolio	369 615	183 496	136 893	49 226
Loans to nonfinancial institutions and other customers, net	1 872 805	1 682 041	179 542	11 222
Loans to budget	1 346	1 346	0	0
Commercial loans	425 810	248 833	166 933	10 044
Commercial real estate and construction loans	51 135	20 037	30 987	111
Other commercial loans	374 675	228 796	135 946	9 933
Agricultural loans	3 273	2 760	513	0
Consumer loans	1 187 090	1 185 180	1 803	107
Housing mortgage loans to individuals	302 184	288 176	12 823	1 185
Other loans	762	726	10	26
Loans to nonfinancial institutions and other customers, total	1 920 465	1 727 021	182 082	11 362
Less: specific provisions	47 660	44 980	2 540	140
Assets for resale	107	107	0	0
Investments in unconsolidated subsidiaries and associated companies	16384	16384	0	0
Other assets, net	12 690	10 910	34	1 746
Intangible assets	3 231	3 231	0	0
Premises and other fixed assets	126 793	126 793	0	0
Assets, total	2 904 296	2 194 938	419 550	289 808
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	70 826	32 007	9 827	28 992
Demand deposits of banks	137	137	0	0
Time deposits of banks	48 334	9 561	9 792	28 981
Deposits of other financial institutions	22 355	22 309	35	11
Deposits of nonfinancial institutions and other customers	2 395 443	1 857 288	314 915	223 240
Demand deposits	398 406	378 693	12 979	6 734
Time deposits	1 229 685	848 492	214 559	166 634
Savings deposits	767 352	630 103	87 377	49 872
Deposits, total	2 466 269	1 889 295	324 742	252 232
Borrowings under repurchase agreements	2 016	0	2 016	0
Short-term borrowings	0	0	0	0
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	76 059	48 753	14 328	12 978
Liabilities, total	2 544 344	1 938 048	341 086	265 210
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	359 952	359 952		
Shareholder capital	93 984	93 984		
Reserves	213 727	213 727		
Profit/loss, current year	52 241	52 241		
Liabilities, minority interest, and capital, total	2 904 296	2 298 000	341 086	265 210
Memo: credit substitutes and other off-balance sheet commitments	79 077	51 106	26 883	1 088


INCOME STATEMENT
 (September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	177 701	157 568	16 525	3 608
Interest income from claims on financial institutions	2 965	226	1 571	1 168
Interest income from claims under repurchase agreements	48	48	0	0
Interest income from trading portfolio	3 867	2 118	1 397	352
Interest income from investment portfolio	16 981	8 273	7 009	1 699
Interest income from loans	153 840	146 903	6 548	389
Dividend income	0	0	0	0
INTEREST EXPENDITURE	34 302	29 708	3 098	1 496
Interest expenditure on deposits of financial institutions	633	448	157	28
Interest expenditure on deposits of nonfinancial institutions and other customers	33 618	29 211	2 939	1 468
Interest expenditure on borrowings under repurchase agreements	51	49	2	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	143 399	127 860	13 427	2 112
CREDIT PROVISIONS				
Accrued provisions	34 027			
Reintegrated provisions	22 123			
Credit provisions, net	11 904			
TRADING PORTFOLIO GAIN/LOSS	2 378			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 355			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	297			
OTHER NONINTEREST INCOME	29 365			
NONINTEREST EXPENDITURE	99 306			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	65 584			
FOREX REVALUATION GAIN/LOSS	-405			
EXTRAORDINARY GAIN/LOSS	0			
TAX	12 938			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	52 241			



DSK BANK PLC
OTP GROUP

DSK BANK



Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	State Savings Bank (SSB) was transformed into a commercial bank according to Ordinance No. 59 of 25 November 1998 of the Council of Ministers pursuant to the Law on Transformation of the SSB (State Gazette, issue 28 of 1998). Order RD 22-0882 of the BNB Governor dated 26 September 2002 for DSK Bank's license. By Resolution No. 10 of 8 January 2003 the Sofia City Court entered the change in the name of DSK Bank reflecting its legal status: sole equity proprietorship company, named DSK Bank Plc.
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Legal registration	Resolution No. 1 of the Sofia City Court of 26 January 1999, company file No. 756 of 1999, lot No. 875, vol. 16, reg. II, p. 22
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Address of the head office	19 Moskovska Str., Sofia 1036 tel. 02/9391 220 Website: www.dskbank.bg
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Management

Supervisory Board	Sándor Csányi – Chairman
	Zoltán Spéder – Deputy Chairman
	László Wolf – Deputy Chairman
	Gyula Pap
Management Board	Krasimir Totev Angarski – Chairman, Chief Executive Director
	Diana Decheva Miteva – Executive Director
	Georgi Dinev Zhelev – Executive Director
	Miroslav Stanimirov Vichev – Procurator
	Kalin Nikolov Klisarov – Procurator
Procurators	Nikolai Ivanov Marev

Shareholders (shares over 10%)

OTP Bank RT, Budapest – 100% *

* Letter No. 1734-1234 of 18 October 2004 sent by DSK Bank.



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	172 992	69 166	3 698	100 128
Claims on financial institutions, net	128 798	3 583	63 801	61 414
Claims under repurchase agreements	0	0	0	0
Trading portfolio	76 691	68 534	3 256	4 901
Investment portfolio	21 733	15 350	6 383	0
Loans to nonfinancial institutions and other customers, net	257 382	160 614	46 048	50 720
Loans to budget	6 914	6 914	0	0
Commercial loans	216 387	122 969	43 765	49 653
Commercial real estate and construction loans	74 074	39 267	12 930	21 877
Other commercial loans	142 313	83 702	30 835	27 776
Agricultural loans	2 947	2 831	116	0
Consumer loans	16 119	15 935	166	18
Housing mortgage loans to individuals	13 890	10 441	2 198	1 251
Other loans	4 843	2 645	1 334	864
Loans to nonfinancial institutions and other customers, total	261 100	161 735	47 579	51 786
Less: specific provisions	3 718	1 121	1 531	1 066
Assets for resale	820	820	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	20 667	14 875	626	5 166
Intangible assets	1 509	1 509	0	0
Premises and other fixed assets	17 816	17 816	0	0
Assets, total	698 408	352 267	123 812	222 329
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	45 469	18 044	1 287	26 138
Demand deposits of banks	2 038	2 038	0	0
Time deposits of banks	26 351	0	838	25 513
Deposits of other financial institutions	17 080	16 006	449	625
Deposits of nonfinancial institutions and other customers	597 691	213 762	191 868	192 061
Demand deposits	275 131	148 577	101 101	25 453
Time deposits	295 831	51 776	82 827	161 228
Savings deposits	26 729	13 409	7 940	5 380
Deposits, total	643 160	231 806	193 155	218 199
Borrowings under repurchase agreements	3 105	3 105	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	3 000	3 000	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	5 715	4 536	859	320
Liabilities, total	654 980	242 447	194 014	218 519
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	43 428	43 428		
Shareholder capital	40 000	40 000		
Reserves	2 110	2 110		
Profit/loss, current year	1 318	1 318		
Liabilities, minority interest, and capital, total	698 408	285 875	194 014	218 519
Memo: credit substitutes and other off-balance sheet commitments	70 476	52 151	9 460	8 865

* Former Roseximbank.

INCOME STATEMENT
(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	23 070	13 161	4 610	5 299
Interest income from claims on financial institutions	1 573	138	494	941
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	3 882	3 061	446	375
Interest income from investment portfolio	453	324	129	0
Interest income from loans	17 150	9 626	3 541	3 983
Dividend income	12	12	0	0
INTEREST EXPENDITURE	12 014	3 164	3 322	5 528
Interest expenditure on deposits of financial institutions	727	265	368	94
Interest expenditure on deposits of nonfinancial institutions and other customers	11 231	2 871	2 926	5 434
Interest expenditure on borrowings under repurchase agreements	31	3	28	0
Interest expenditure on borrowings	25	25	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	11 056	9 997	1 288	-229
CREDIT PROVISIONS				
Accrued provisions	1 405			
Reintegrated provisions	1 905			
Credit provisions, net	-500			
TRADING PORTFOLIO GAIN/LOSS	458			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-111			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	1 143			
OTHER NONINTEREST INCOME	9 464			
NONINTEREST EXPENDITURE	21 451			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	1 059			
FOREX REVALUATION GAIN/LOSS	267			
EXTRAORDINARY GAIN/LOSS	311			
TAX	319			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	1 318			



DZI BANK*

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Roseximbank is a successor of the Trakia United Private Commercial Bank, Plovdiv, licensed by Resolution No. 77 of the BNB Governing Council dated 13 March 1995; Order No. 100-000251 of 17 July 1998 of the BNB Governor for licensing Roseximbank AD; Order No. 100-00514 of the BNB Governor dated 22 November 1999 amending the previous Order; Order No. RD 22-413 of the BNB Governor dated 28 July 2000 amending the previous Order. Order No. RD22-1093 of the BNB Deputy Governor heading the Banking Supervision Department dated 9 July 2004, permitting Roseximbank AD to change its name in the license to DZI Bank AD.
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Legal registration	Resolution No. 1 of 10 March 1998 of the Sofia City Court, company file No. 3006 of 1998; entered under No. 45652, v. 500, reg. I, p. 128.
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Address of the head office	4-6 Dondukov Blvd., Sofia 1000 tel. 02/9307 136 Website: www.roseximbank.bg
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Management

Supervisory Board	DZI AD, represented by Vesela Ognyanova Kyuleva – Chairman Asen Raikov Oshanov – Deputy Chairman DZI General Insurance, represented by Milena Kamenova Plocheva Contract Holding Company, represented by Yuriy Alexandrov Kyulev Maxim Moncho Behar
Management Board	Diana Zhivkova Mladenova – Chairman and Executive Director Vladimir Ivanov Vladimirov – Chief Executive Director Reni Hristova Petkova – Executive Director Mincho Hristov Mihov – Executive Director Kina Atanasova Koinarska – Procurator Plamen Borisov Itsov – Procurator Panayot Ivov Filipov Stanimir Metodiev Hristov
Chief Procurator	Emil Alexandrov Kyulev
Procurators	Plamen Yordanov Milkov Lyubomir Antonov Karimanski

Shareholders

(shares over 10%)

DZI AD – 50.09%; jointly with related parties – 69.78%

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	53 674	35 100	4 104	14 470
Claims on financial institutions, net	175 918	33	77 198	98 687
Claims under repurchase agreements	1 220	0	0	1 220
Trading portfolio	61 660	35 371	16 953	9 336
Investment portfolio	50 580	39 935	5 916	4 729
Loans to nonfinancial institutions and other customers, net	302 640	144 401	82 803	75 436
Loans to budget	100	100	0	0
Commercial loans	297 195	134 584	79 573	83 038
Commercial real estate and construction loans	90 483	35 935	29 687	24 861
Other commercial loans	206 712	98 649	49 886	58 177
Agricultural loans	42	42	0	0
Consumer loans	18 901	18 322	547	32
Housing mortgage loans to individuals	3 299	280	2 777	242
Other loans	14 963	14 938	8	17
Loans to nonfinancial institutions and other customers, total	334 500	168 266	82 905	83 329
Less: specific provisions	31 860	23 865	102	7 893
Assets for resale	3 073	3 073	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	9 700	4 690	3 143	1 867
Intangible assets	273	273	0	0
Premises and other fixed assets	22 854	22 854	0	0
Assets, total	681 592	285 730	190 117	205 745
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	116 982	59 040	52 914	5 028
Demand deposits of banks	38 278	35 861	1 025	1 392
Time deposits of banks	37 412	15 512	21 900	0
Deposits of other financial institutions	41 292	7 667	29 989	3 636
Deposits of nonfinancial institutions and other customers	479 328	132 666	159 929	186 733
Demand deposits	136 664	101 149	23 467	12 048
Time deposits	318 700	22 574	127 276	168 850
Savings deposits	23 964	8 943	9 186	5 835
Deposits, total	596 310	191 706	212 843	191 761
Borrowings under repurchase agreements	16 843	0	0	16 843
Short-term borrowings	2 838	0	0	2 838
Long-term borrowings	0	0	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	7 767	6 766	912	89
Liabilities, total	623 758	198 472	213 755	211 531
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	57 834	57 834		
Shareholder capital	35 000	35 000		
Reserves	13 532	13 532		
Profit/loss, current year	9 302	9 302		
Liabilities, minority interest, and capital, total	681 592	256 306	213 755	211 531
Memo: credit substitutes and other off-balance sheet commitments	29 417	14 600	14 401	416

INCOME STATEMENT
(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	28 298	13 856	6 997	7 445
Interest income from claims on financial institutions	2 322	225	1 463	634
Interest income from claims under repurchase agreements	69	53	0	16
Interest income from trading portfolio	4 238	1 950	540	1 748
Interest income from investment portfolio	2 063	376	64	1 623
Interest income from loans	19 606	11 252	4 930	3 424
Dividend income	0	0	0	0
INTEREST EXPENDITURE	17 146	1 850	6 966	8 330
Interest expenditure on deposits of financial institutions	2 382	707	1 542	133
Interest expenditure on deposits of nonfinancial institutions and other customers	14 315	1 069	5 346	7 900
Interest expenditure on borrowings under repurchase agreements	106	68	38	0
Interest expenditure on borrowings	343	6	40	297
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	11 152	12 006	31	-885
CREDIT PROVISIONS				
Accrued provisions	6 588			
Reintegrated provisions	7 683			
Credit provisions, net	-1 095			
TRADING PORTFOLIO GAIN/LOSS	-695			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	6 022			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	9 246			
NONINTEREST EXPENDITURE	17 222			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	9 598			
FOREX REVALUATION GAIN/LOSS	404			
EXTRAORDINARY GAIN/LOSS	34			
TAX	734			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	9 302			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 26 of 27 January 1995; the bank was renamed by Order No. RD22-482 of 29 September 2000. Pursuant to § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks the license was updated by Order No. 100-00502 of the BNB Governor of 18 November 1999.
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Legal registration	Resolution No.1 of 18 March 1995 of the Sofia City Court on company file No. 2757 of 1995, lot No. 665, vol. 12, reg. II, p. 126
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Address of the head office	2 Slavyanska Str., Sofia 1000 tel. 02/9399 240; 9399 400 Website: www.eibank.bg
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Management

Supervisory Board	Tsvetelina Borislavova Karagiozova – Chairman
	Valentina Radkova Ivanova – Deputy Chairman
	Asen Lyubenov Naidenov
Management Board	Vasil Stefanov Simov – Chairman and Executive Director
	Danail Mihailov Kamenov – Executive Director
	Anton Nikolaev Andonov
	Alexander Alexandrov Denev
	Vladimir Trifonov Penchev

Shareholders

(shares over 10%)

Katex AD – 21.14% directly, and together with related parties Runo-Kazanlak AD and Tsvetelina B. Karagiozova – 26.22%

Tsvetelina Borislavova Karagiozova – 26.22% directly, and indirectly – through Katex AD and related Runo-Kazanlak AD

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	(BGN 000)		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	4 172	904	825	2 443
Claims on financial institutions, net	10 636	16	7 711	2 909
Claims under repurchase agreements	0	0	0	0
Trading portfolio	323	0	323	0
Investment portfolio	854	61	667	126
Loans to nonfinancial institutions and other customers, net	57 367	2 449	53 874	1 044
Loans to budget	0	0	0	0
Commercial loans	63 451	2 429	59 978	1 044
Commercial real estate and construction loans	17 797	0	17 797	0
Other commercial loans	45 654	2 429	42 181	1 044
Agricultural loans	106	106	0	0
Consumer loans	61	61	0	0
Housing mortgage loans to individuals	1 230	0	1 230	0
Other loans	40	0	40	0
Loans to nonfinancial institutions and other customers, total	64 888	2 596	61 248	1 044
Less: specific provisions	7 521	147	7 374	0
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	379	350	21	8
Intangible assets	61	61	0	0
Premises and other fixed assets	5 032	5 032	0	0
Assets, total	78 824	8 873	63 421	6 530
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	17 389	1 529	12 350	3 510
Demand deposits of banks	0	0	0	0
Time deposits of banks	11 294	0	7 904	3 390
Deposits of other financial institutions	6 095	1 529	4 446	120
Deposits of nonfinancial institutions and other customers	18 162	7 705	7 811	2 646
Demand deposits	12 083	5 509	5 647	927
Time deposits	6 079	2 196	2 164	1 719
Savings deposits	0	0	0	0
Deposits, total	35 551	9 234	20 161	6 156
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	19 609	0	19 609	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 161	516	2 317	328
Liabilities, total	58 321	9 750	42 087	6 484
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	20 503	20 503		
Shareholder capital	17 852	17 852		
Reserves	4 450	4 450		
Profit/loss, current year	-1 799	-1 799		
Liabilities, minority interest, and capital, total	78 824	30 253	42 087	6 484
Memo: credit substitutes and other off-balance sheet commitments	38 678	1 883	35 376	1 419

* Former Commercial Bank of Greece (Bulgaria).

INCOME STATEMENT
 (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	3 646	216	3 313	117
Interest income from claims on financial institutions	62	2	27	33
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	15	0	15	0
Interest income from investment portfolio	32	0	32	0
Interest income from loans	3 537	214	3 239	84
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 123	166	904	53
Interest expenditure on deposits of financial institutions	585	88	478	19
Interest expenditure on deposits of nonfinancial institutions and other customers	168	78	56	34
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	370	0	370	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 523	50	2 409	64
CREDIT PROVISIONS				
Accrued provisions	4 486			
Reintegrated provisions	1 449			
Credit provisions, net	3 037			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	1 219			
NONINTEREST EXPENDITURE	2 519			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-1 814			
FOREX REVALUATION GAIN/LOSS	15			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-1 799			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	BNB Order No. 100-01112 of 8 September 1997; updated by Order No. 100-00501 of the BNB Governor dated 18 November 1999; amended by Order No. RD 22-0447 of the BNB Governor dated 7 September 2000; Order No. RD 22-186 of the Deputy Governor heading the Banking Supervision Department permitting Commercial Bank of Greece – Bulgaria to change its name in the license to Emporiki Bank – Bulgaria.
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Legal registration	Resolution No. 1 of the Sofia City Court of 28 November 1994, company file No. 21376 of 1994, lot No. 20768, vol. 253, p. 168.
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Address of the head office	4 Laiosh Koshut Str., Sofia 1606 tel. 02/917 17 17
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Management

Board of Directors	Ioannis Emanuil Sopasakis – Chairman Spiridon Constantinos Coskinas – Deputy Chairman Elefterios Patroclos Baharopoulos – Chief Executive Director Georgios Vassilios Tzamos – Executive Director Dimitrios Moschos
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Shareholders
(shares over 10%)

Commercial Bank of Greece, Athens – 100%



ENCOURAGEMENT BANK

103

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	3 485	3 371	77	37
Claims on financial institutions, net	15 782	4 372	11 164	246
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	15 893	6 798	9 095	0
Loans to nonfinancial institutions and other customers, net	55 896	21 826	34 070	0
Loans to budget	0	0	0	0
Commercial loans	52 168	14 201	37 967	0
Commercial real estate and construction loans	46 930	9 753	37 177	0
Other commercial loans	5 238	4 448	790	0
Agricultural loans	8 956	8 956	0	0
Consumer loans	120	120	0	0
Housing mortgage loans to individuals	0	0	0	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	61 244	23 277	37 967	0
Less: specific provisions	5 348	1 451	3 897	0
Assets for resale	147	147	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	506	504	2	0
Intangible assets	190	190	0	0
Premises and other fixed assets	2 228	2 228	0	0
Assets, total	94 127	39 436	54 408	283
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	602	585	17	0
Demand deposits of banks	338	338	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	264	247	17	0
Deposits of nonfinancial institutions and other customers	2 896	1 484	1 142	270
Demand deposits	2 652	1 314	1 092	246
Time deposits	136	62	50	24
Savings deposits	108	108	0	0
Deposits, total	3 498	2 069	1 159	270
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	292	0	292	0
Long-term borrowings	57 146	8 558	48 588	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	223	220	3	0
Liabilities, total	61 159	10 847	50 042	270
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	32 968	32 968		
Shareholder capital	29 574	29 574		
Reserves	2 998	2 998		
Profit/loss, current year	396	396		
Liabilities, minority interest, and capital, total	94 127	43 815	50 042	270
Memo: credit substitutes and other off-balance sheet commitments	15 769	2 107	13 506	156



INCOME STATEMENT

(September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	5 690	2 405	3 283	2
Interest income from claims on financial institutions	183	94	87	2
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	678	548	130	0
Interest income from loans	4 825	1 763	3 062	0
Dividend income	4	0	4	0
INTEREST EXPENDITURE	796	93	703	0
Interest expenditure on deposits of financial institutions	1	1	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	7	6	1	0
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	788	86	702	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	4 894	2 312	2 580	2
CREDIT PROVISIONS				
Accrued provisions	3 282			
Reintegrated provisions	864			
Credit provisions, net	2 418			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	-77			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	402			
NONINTEREST EXPENDITURE	2 309			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	492			
FOREX REVALUATION GAIN/LOSS	0			
EXTRAORDINARY GAIN/LOSS	0			
TAX	96			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	396			



ENCOURAGEMENT BANK

105

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Order No. 100-000078 of 25 February 1999 of the BNB Governor
Legal registration	Resolution of the Sofia City Court of 11 March 1999 on company file No. 3400 of 1999
Address of the head office	1 Dyakon Ignatii Str., Sofia 1000 tel. 02/930 63 33 Website: www.nasbank.bg
Management	The Bank is managed and represented jointly by each two of the three executive directors: Dimitar Kirilov Dimitrov, Sasho Petrov Chakalski and Georgi Yanchev Momchilov.
Supervisory Board	Iliya Nikolov Lingorski – Chairman Atanas Slavchev Katsarchev – Deputy Chairman Dimitar Hristov Hadzhinikolov
Management Board	Dimitar Kirilov Dimitrov – Chairman and Executive Director Sasho Petrov Chakalski – Executive Director Georgi Yanchev Momchilov – Executive Director Dimitar Nikolov Tadarakov
Shareholders (shares over 10%)	Ministry of Finance – 99.995%



EVROBANK

106

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	32 833	22 866	2 776	7 191
Claims on financial institutions, net	72 072	4 341	17 200	50 531
Claims under repurchase agreements	301	301	0	0
Trading portfolio	63 837	24 384	11 759	27 694
Investment portfolio	610	607	3	0
Loans to nonfinancial institutions and other customers, net	198 139	114 933	61 700	21 506
Loans to budget	0	0	0	0
Commercial loans	160 012	79 837	58 334	21 841
Commercial real estate and construction loans	45 440	17 505	24 227	3 708
Other commercial loans	114 572	62 332	34 107	18 133
Agricultural loans	8 149	6 939	1 210	0
Consumer loans	31 860	31 205	648	7
Housing mortgage loans to individuals	4 008	1 369	2 592	47
Other loans	557	425	55	77
Loans to nonfinancial institutions and other customers, total	204 586	119 775	62 839	21 972
Less: specific provisions	6 447	4 842	1 139	466
Assets for resale	338	338	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 420	3 380	7	33
Intangible assets	133	133	0	0
Premises and other fixed assets	10 865	10 865	0	0
Assets, total	382 548	182 148	93 445	106 955
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 966	4 686	6 913	367
Demand deposits of banks	0	0	0	0
Time deposits of banks	9 003	2 099	6 904	0
Deposits of other financial institutions	2 963	2 587	9	367
Deposits of nonfinancial institutions and other customers	289 150	115 014	69 014	105 122
Demand deposits	73 555	44 722	15 428	13 405
Time deposits	215 595	70 292	53 586	91 717
Savings deposits	0	0	0	0
Deposits, total	301 116	119 700	75 927	105 489
Borrowings under repurchase agreements	6 707	6 707	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	32 502	18 845	13 657	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	12 138	5 811	4 034	2 293
Liabilities, total	352 463	151 063	93 618	107 782
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	30 085	30 085		
Shareholder capital	21 500	21 500		
Reserves	5 062	5 062		
Profit/loss, current year	3 523	3 523		
Liabilities, minority interest, and capital, total	382 548	181 148	93 618	107 782
Memo: credit substitutes and other off-balance sheet commitments	75 254	67 551	2 847	4 856



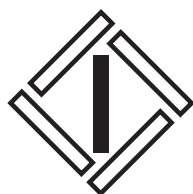
INCOME STATEMENT
(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	19 304	11 120	5 411	2 773
Interest income from claims on financial institutions	443	35	67	341
Interest income from claims under repurchase agreements	17	17	0	0
Interest income from trading portfolio	1 955	946	322	687
Interest income from investment portfolio	0	0	0	0
Interest income from loans	16 835	10 068	5 022	1 745
Dividend income	54	54	0	0
INTEREST EXPENDITURE	8 625	3 684	1 873	3 068
Interest expenditure on deposits of financial institutions	422	179	238	5
Interest expenditure on deposits of nonfinancial institutions and other customers	7 391	2 861	1 467	3 063
Interest expenditure on borrowings under repurchase agreements	349	349	0	0
Interest expenditure on borrowings	395	227	168	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	68	68	0	0
INTEREST AND DIVIDEND INCOME, NET	10 679	7 436	3 538	-295
CREDIT PROVISIONS				
Accrued provisions	6 184			
Reintegrated provisions	4 076			
Credit provisions, net	2 108			
TRADING PORTFOLIO GAIN/LOSS	1 846			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	112			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	6 160			
NONINTEREST EXPENDITURE	12 281			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	4 408			
FOREX REVALUATION GAIN/LOSS	-32			
EXTRAORDINARY GAIN/LOSS	0			
TAX	853			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	3 523			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Protocol of Meeting of the BNB Governing Council No. 101-00013 of 2 March 1994, Order No. 100-000484 of 3 October 1997 of the BNB Governor; license updated by Order No. 100-00503 of the BNB Governor dated 18 November 1999
Legal registration	Company file No. 24013 of 1993 of the Sofia City Court, lot No. 15059, vol. 194, p. 174
Address of the head office	43 Cherni Vrah Blvd., Sofia 1407 tel. 02/969 07 60 Website: www.eurobank.bg
Management	
Supervisory Board	Mitko Vasilev Sabev -- Chairman Yurex Consult Ltd, represented by Mariana Alexandrova Danova Ventseslav Asenov Dimitrov
Management Board	Emil Angelov Angelov – Chairman Bisser Parashkevov Mitrikov – Deputy Chairman Anton Hristov Todorov Ivelina Yordanova Decheva Konstantin Angelov Yordanov Yuriy Asenov Stanchev
Executive Members of the Management Board	Emil Angelov Angelov Bisser Parashkevov Mitrikov
Shareholders (shares over 10%)	Petrol Holding Ltd – 95.10%



FIRST INVESTMENT BANK

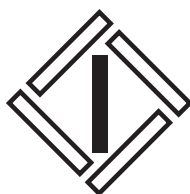
109

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	113 533	61 044	7 121	45 368
Claims on financial institutions, net	159 751	762	60 807	98 182
Claims under repurchase agreements	33 655	5 684	27 862	109
Trading portfolio	105 010	32 838	56 333	15 839
Investment portfolio	22 319	167	6 853	15 299
Loans to nonfinancial institutions and other customers, net	866 269	324 680	371 948	169 641
Loans to budget	0	0	0	0
Commercial loans	700 602	180 965	352 001	167 636
Commercial real estate and construction loans	392 207	90 876	247 030	54 301
Other commercial loans	308 395	90 089	104 971	113 335
Agricultural loans	18 044	16 291	1 271	482
Consumer loans	88 502	82 252	5 610	640
Housing mortgage loans to individuals	48 827	34 147	13 335	1 345
Other loans	35 711	21 409	4 960	9 342
Loans to nonfinancial institutions and other customers, total	891 686	335 064	377 177	179 445
Less: specific provisions	25 417	10 384	5 229	9 804
Assets for resale	177	177	0	0
Investments in unconsolidated subsidiaries and associated companies	1536	1536	0	0
Other assets, net	6 191	5 108	280	803
Intangible assets	682	459	0	223
Premises and other fixed assets	39 066	38 470	0	596
Assets, total	1 348 189	470 925	531 204	346 060
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	174 394	6 042	133 066	35 286
Demand deposits of banks	477	108	158	211
Time deposits of banks	29 534	2 000	10 425	17 109
Deposits of other financial institutions	144 383	3 934	122 483	17 966
Deposits of nonfinancial institutions and other customers	766 112	324 132	211 390	230 590
Demand deposits	384 049	235 171	96 862	52 016
Time deposits	382 063	88 961	114 528	178 574
Savings deposits	0	0	0	0
Deposits, total	940 506	330 174	344 456	265 876
Borrowings under repurchase agreements	5 062	5 062	0	0
Short-term borrowings	187 248	3 131	65 171	118 946
Long-term borrowings	80 791	0	57 196	23 595
Subordinated term debt and debt/equity (hybrid) instruments	22 044	0	22 044	0
Other liabilities	7 716	6 870	481	365
Liabilities, total	1 243 367	345 237	489 348	408 782
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	104 822	104 822		
Shareholder capital	10 000	10 000		
Reserves	80 814	80 814		
Profit/loss, current year	14 008	14 008		
Liabilities, minority interest, and capital, total	1 348 189	450 059	489 348	408 782
Memo: credit substitutes and other off-balance sheet commitments	182 722	46 412	105 641	30 669



FIRST INVESTMENT BANK

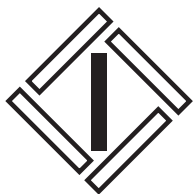
110

Commercial Banks in Bulgaria

INCOME STATEMENT (September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	74 749	31 853	28 855	14 041
Interest income from claims on financial institutions	1 670	86	703	881
Interest income from claims under repurchase agreements	2 208	95	2 113	0
Interest income from trading portfolio	2 502	1 322	763	417
Interest income from investment portfolio	330	0	264	66
Interest income from loans	68 038	30 349	25 012	12 677
Dividend income	1	1	0	0
INTEREST EXPENDITURE	32 095	5 448	14 838	11 809
Interest expenditure on deposits of financial institutions	8 544	197	6 172	2 175
Interest expenditure on deposits of nonfinancial institutions and other customers	13 784	4 898	4 183	4 703
Interest expenditure on borrowings under repurchase agreements	298	285	13	0
Interest expenditure on borrowings	7 574	53	2 590	4 931
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 880	0	1 880	0
Interest expenditure on other liabilities	15	15	0	0
INTEREST AND DIVIDEND INCOME, NET	42 654	26 405	14 017	2 232
CREDIT PROVISIONS				
Accrued provisions	13 651			
Reintegrated provisions	10 647			
Credit provisions, net	3 004			
TRADING PORTFOLIO GAIN/LOSS	1 574			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	114			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	35			
OTHER NONINTEREST INCOME	13 039			
NONINTEREST EXPENDITURE	35 943			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	18 469			
FOREX REVALUATION GAIN/LOSS	-677			
EXTRAORDINARY GAIN/LOSS	0			
TAX	3 784			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	14 008			



FIRST INVESTMENT BANK

111

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB Limited license: Resolution of the BNB Governing Council No. 278 of 1 October 1993. Full license: Resolution of the BNB Governing Council No. 273 of 14 September 1995. License update: Order No. 100-00498 of the BNB Governor dated 18 November 1999 in accordance with the Law on Banks.

Legal registration Entered in the Commercial Register by Resolution of the Sofia City Court on company file No. 18045 of 1993, lot No. 11941, vol. 163, p. 106.

Address of the head office 10 Stefan Karadzha Str., Sofia 1000
tel. 02/910 01
Website: www.fibank.bg

Management

Supervisory Board Georgi Dimitrov Moutafchiev – Chairman
Radka Veselinova Mineva
Todor Breshkov

Management Board Jonathan Henry Martyn Harfield – Chief Executive Director
Matio Alexandrov Mateev – Deputy Chief Executive Director
Maya Lyubenova Georgieva – Executive Director
Yordan Velichkov Skorchev – Executive Director
Evgeniya Dimitrova Stoyanova
Ivan Stefanov Ivanov
Lyubomir Ivanov Vesov
Evgeni Krustev Lukanov

Shareholders (shares over 10%)

European Privatization and Investment Company, Vienna – 39%
European Bank for Reconstruction and Development – 20%
First Financial Brokerage House – 13.89%
Ivailo Dimitrov Moutafchiev – 12.33%
Tseko Todorov Minev – 12.33%

Balance Sheets and Income Statements of Individual Commercial Banks



HEBROS COMMERCIAL BANK

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	39 323	25 844	2 798	10 681
Claims on financial institutions, net	69 109	510	24 459	44 140
Claims under repurchase agreements	0	0	0	0
Trading portfolio	30 667	15 170	5 314	10 183
Investment portfolio	32 631	918	1 042	30 671
Loans to nonfinancial institutions and other customers, net	354 848	221 600	126 580	6 668
Loans to budget	154	154	0	0
Commercial loans	241 821	129 435	105 735	6 651
Commercial real estate and construction loans	78 667	30 447	45 681	2 539
Other commercial loans	163 154	98 988	60 054	4 112
Agricultural loans	19 620	15 700	3 920	0
Consumer loans	81 536	79 165	2 350	21
Housing mortgage loans to individuals	3 815	2 699	982	134
Other loans	23 582	9 210	14 110	262
Loans to nonfinancial institutions and other customers, total	370 528	236 363	127 097	7 068
Less: specific provisions	15 680	14 763	517	400
Assets for resale	2 751	2 751	0	0
Investments in unconsolidated subsidiaries and associated companies	2014	2014	0	0
Other assets, net	16 210	12 040	4 132	38
Intangible assets	11 717	11 717	0	0
Premises and other fixed assets	23 370	23 370	0	0
Assets, total	582 640	315 934	164 325	102 381
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	23 951	7 259	16 692	0
Demand deposits of banks	46	46	0	0
Time deposits of banks	22 834	6 200	16 634	0
Deposits of other financial institutions	1 071	1 013	58	0
Deposits of nonfinancial institutions and other customers	408 519	218 615	88 991	100 913
Demand deposits	158 107	136 473	11 290	10 344
Time deposits	187 840	61 775	55 982	70 083
Savings deposits	62 572	20 367	21 719	20 486
Deposits, total	432 470	225 874	105 683	100 913
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	23 711	5 732	17 632	347
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	19 675	16 269	111	3 295
Liabilities, total	475 856	247 875	123 426	104 555
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	106 784	106 784		
Shareholder capital	41 103	41 103		
Reserves	56 610	56 610		
Profit/loss, current year	9 071	9 071		
Liabilities, minority interest, and capital, total	582 640	354 659	123 426	104 555
Memo: credit substitutes and other off-balance sheet commitments	45 359	27 982	13 064	4 313



HEBROS COMMERCIAL BANK

113

INCOME STATEMENT (September 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	29 061	19 681	7 483	1 897
Interest income from claims on financial institutions	973	20	559	394
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	1 416	610	213	593
Interest income from investment portfolio	459	0	56	403
Interest income from loans	26 213	19 051	6 655	507
Dividend income	0	0	0	0
INTEREST EXPENDITURE	4 669	2 381	1 449	839
Interest expenditure on deposits of financial institutions	191	142	48	1
Interest expenditure on deposits of nonfinancial institutions and other customers	4 003	2 120	1 053	830
Interest expenditure on borrowings under repurchase agreements	4	4	0	0
Interest expenditure on borrowings	471	115	348	8
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	24 392	17 300	6 034	1 058
CREDIT PROVISIONS				
Accrued provisions	48 856			
Reintegrated provisions	46 346			
Credit provisions, net	2 510			
TRADING PORTFOLIO GAIN/LOSS	990			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1 192			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	16 526			
NONINTEREST EXPENDITURE	29 636			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	10 954			
FOREX REVALUATION GAIN/LOSS	-93			
EXTRAORDINARY GAIN/LOSS	1			
TAX	1 791			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	9 071			

Balance Sheets and Income Statements of Individual Commercial Banks



HEBROS COMMERCIAL BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No.177 of 3 June 1993 of the BNB Governing Council, updated in accordance with the Law on Banks by Order No. 100-00489 of the BNB Governor dated 17 November 1999
Legal registration	Entered in the registers of the Plovdiv Regional Court by Resolution No. 6965 of 8 June 1993
Address of the head office	37 Tsar Boris III Obedinitel Blvd., Plovdiv 4018 tel. 032/63 18 76; 62 88 70 Website: www.hebros.bg
Management	
Supervisory Board	Jayne Alison Sutcliffe – Chairman
	Robert-Hans van Griethuysen
	Alexander Anderson Whamond
Management Board	Gautam Vir – Chairman and Chief Executive Director
	David Donald Curl – Executive Director
	Alexander Iliev Tsachev – Executive Director
	Veselin Vasilev Denchev – Executive Director
Shareholders (shares over 10%)	
SWC B. V. – 90.77%	

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	113 097	40 785	13 031	59 281
Claims on financial institutions, net	251 698	25 066	141 086	85 546
Claims under repurchase agreements	0	0	0	0
Trading portfolio	67 333	35 359	31 340	634
Investment portfolio	115 513	48 065	39 977	27 471
Loans to nonfinancial institutions and other customers, net	970 521	500 225	444 945	25 351
Loans to budget	8 777	8 777	0	0
Commercial loans	708 880	258 760	423 135	26 985
Commercial real estate and construction loans	346 635	79 019	260 845	6 771
Other commercial loans	362 245	179 741	162 290	20 214
Agricultural loans	6 194	5 727	467	0
Consumer loans	239 958	230 222	9 425	311
Housing mortgage loans to individuals	39 808	16 533	21 706	1 569
Other loans	21 434	19 068	696	1 670
Loans to nonfinancial institutions and other customers, total	1 025 051	539 087	455 429	30 535
Less: specific provisions	54 530	38 862	10 484	5 184
Assets for resale	1 181	1 181	0	0
Investments in unconsolidated subsidiaries and associated companies	110	110	0	0
Other assets, net	3 804	3 427	371	6
Intangible assets	2 049	2 049	0	0
Premises and other fixed assets	48 220	48 220	0	0
Assets, total	1 573 526	704 487	670 750	198 289
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	306 553	42 273	226 629	37 651
Demand deposits of banks	20 522	61	20 313	148
Time deposits of banks	275 718	32 202	206 027	37 489
Deposits of other financial institutions	10 313	10 010	289	14
Deposits of nonfinancial institutions and other customers	856 326	444 619	225 028	186 679
Demand deposits	446 986	335 984	80 481	30 521
Time deposits	265 050	62 222	95 750	107 078
Savings deposits	144 290	46 413	48 797	49 080
Deposits, total	1 162 879	486 892	451 657	224 330
Borrowings under repurchase agreements	94 145	70 358	23 627	160
Short-term borrowings	0	0	0	0
Long-term borrowings	114 949	472	114 477	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	40 227	22 802	13 434	3 991
Liabilities, total	1 412 200	580 524	603 195	228 481
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	161 326	161 326		
Shareholder capital	36 842	36 842		
Reserves	99 582	99 582		
Profit/loss, current year	24 902	24 902		
Liabilities, minority interest, and capital, total	1 573 526	741 850	603 195	228 481
Memo: credit substitutes and other off-balance sheet commitments	401 654	187 034	120 397	94 223

* Former Biochim Commercial Bank.

INCOME STATEMENT
(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	63 717	41 606	18 056	4 055
Interest income from claims on financial institutions	3 187	821	801	1 565
Interest income from claims under repurchase agreements	45	36	2	7
Interest income from trading portfolio	2 182	1 506	593	83
Interest income from investment portfolio	3 444	1 630	1 162	652
Interest income from loans	54 851	37 605	15 498	1 748
Dividend income	8	8	0	0
INTEREST EXPENDITURE	11 262	4 987	5 170	1 105
Interest expenditure on deposits of financial institutions	3 891	1 862	1 741	288
Interest expenditure on deposits of nonfinancial institutions and other customers	4 754	2 637	1 300	817
Interest expenditure on borrowings under repurchase agreements	649	469	180	0
Interest expenditure on borrowings	1 959	10	1 949	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	9	9	0	0
INTEREST AND DIVIDEND INCOME, NET	52 455	36 619	12 886	2 950
CREDIT PROVISIONS				
Accrued provisions	15 442			
Reintegrated provisions	6 998			
Credit provisions, net	8 444			
TRADING PORTFOLIO GAIN/LOSS	653			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	962			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	29 661			
NONINTEREST EXPENDITURE	43 760			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	31 527			
FOREX REVALUATION GAIN/LOSS	-569			
EXTRAORDINARY GAIN/LOSS	0			
TAX	6 056			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	24 902			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	No. 140-00415 of 5 September 1995, Resolution No. 266 of 4 September 1995 of the BNB Governing Council. License updated in accordance with requirements of § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00486 of the BNB Governor dated 17 November 1999
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Legal registration	Resolution of 13 September 1995 of the Sofia City Court on company file No. 14835 of 1995 of the Sofia City Court, entered in the Commercial Register, lot No. 691, vol. 13, reg. I, p. 12
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Address of the head office	1 Ivan Vazov Str., Sofia 1026 tel. 02/926 92 10 Website: www.biochim.com
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Management

Supervisory Board	Martin Gruel – Chairman
	Regina Prehofer
	Wolfgang Edelmüller
	Heinz Meidlinger
	Jozef Duregger
	Ralf Cymanek
	Wolfgang Helpa
Management Board	Peter Harold – Chairman and Chief Executive Director
	Lyudmil Vladimirov Gatchev – Executive Director
	Emiliya Stefanova Palibachiyska – Executive Director
	Maria Dimova Ilieva – Executive Director
	Ludwig Wagner – Executive Director

Shareholders (shares over 10%)

Bank Austria Creditanstalt – 99.59%

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	28 254	0	28 254	6 900	1 182	20 172
Claims on financial institutions, net	94 795	84 378	10 417	7 979	2 151	287
Claims under repurchase agreements	1 500	0	1 500	1 500	0	0
Trading portfolio	29 160	0	29 160	15 730	9 482	3 948
Investment portfolio	46	0	46	46	0	0
Loans to nonfinancial institutions and other customers, net	180 853	0	180 853	130 164	34 816	15 873
Loans to budget	0	0	0	0	0	0
Commercial loans	162 093	0	162 093	121 187	33 194	7 712
Commercial real estate and construction loans	7 604	0	7 604	7 604	0	0
Other commercial loans	154 489	0	154 489	113 583	33 194	7 712
Agricultural loans	10 194	0	10 194	469	1 564	8 161
Consumer loans	2 150	0	2 150	2 150	0	0
Housing mortgage loans to individuals	7 343	0	7 343	7 343	0	0
Other loans	272	0	272	214	58	0
Loans to nonfinancial institutions and other customers, total	182 052	0	182 052	131 363	34 816	15 873
Less: specific provisions	1 199	0	1 199	1 199	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	2 323	0	2 323	1 170	815	338
Intangible assets	249	0	249	249	0	0
Premises and other fixed assets	1 529	0	1 529	1 529	0	0
Assets, total	338 709	84 378	254 331	165 267	48 446	40 618
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	61 362	19 329	42 033	25 830	2 855	13 348
Demand deposits of banks	832	53	779	735	1	43
Time deposits of banks	52 762	19 276	33 486	17 507	2 739	13 240
Deposits of other financial institutions	7 768	0	7 768	7 588	115	65
Deposits of nonfinancial institutions and other customers	243 564	0	243 564	99 342	113 555	30 667
Demand deposits	114 861	0	114 861	55 564	36 530	22 767
Time deposits	128 629	0	128 629	43 712	77 017	7 900
Savings deposits	74	0	74	66	8	0
Deposits, total	304 926	19 329	285 597	125 172	116 410	44 015
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	12 015	1 726	10 289	2 292	467	7 530
Liabilities, total	316 941	21 055	295 886	127 464	116 877	51 545
Reserves and financial result, total	21 768	17 986	3 782	3 782		
Reserves	17 986	17 986	0	0		
Profit/loss, current year	3 782	0	3 782	3 782		
Liabilities, reserves, and financial result, total	338 709	39 041	299 668	131 246	116 877	51 545
Memo: credit substitutes and other off-balance sheet commitments	65 240	0	65 240	22 022	37 403	5 815

INCOME STATEMENT

(September 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	10 368	417	9 951	7 841	1567	543
Interest income from claims on financial institutions	1 076	417	659	585	74	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	1 710	0	1 710	1 710	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	7 582	0	7 582	5 546	1493	543
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	1 637	0	1 637	980	429	228
Interest expenditure on deposits of financial institutions	710	0	710	430	110	170
Interest expenditure on deposits of nonfinancial institutions and other customers	894	0	894	517	319	58
Interest expenditure on borrowings under repurchase agreements	33	0	33	33	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	8 731	417	8 314	6 861	1138	315
CREDIT PROVISIONS						
Accrued provisions	1 199	0	1 199			
Reintegrated provisions	3 038	0	3 038			
Credit provisions, net	-1 839	0	-1 839			
TRADING PORTFOLIO GAIN/LOSS	-12	0	-12			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME	5 338	0	5 338			
NONINTEREST EXPENDITURE	10 696	2 346	8 350			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 200	-1 929	7 129			
FOREX REVALUATION GAIN/LOSS	-444	0	-444			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	974	0	974			
PROFIT/LOSS, NET	3 782	-1 929	5 711			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No.199 of 16 June 1994 of the BNB Governing Council; License updated by Order No. 100-00563 of 22 December 1999
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Legal registration	Company file No. 11357 of 26 July 1994
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Address of the branch	12 Emil Bersinski Str., Ivan Vazov District, Sofia 1408 tel. 02/917 64 00 Website: www.ing.bg
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Management	Jan Willem Overwater – Regional Director Kornelis de Jong* – Executive Director Vladimir Boyanov Chimov – Head of Legal Department
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Shareholders (shares over 10%)	 Sole shareholder: ING Group N. V./4972
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* Entry of the change in the branch's management is pending.



INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

121

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	6 406	2 141	3 374	891
Claims on financial institutions, net	20 600	5	9 042	11 553
Claims under repurchase agreements	0	0	0	0
Trading portfolio	1 458	0	1 458	0
Investment portfolio	64	61	0	3
Loans to nonfinancial institutions and other customers, net	47 234	35 902	5 174	6 158
Loans to budget	0	0	0	0
Commercial loans	41 681	30 794	4 818	6 069
Commercial real estate and construction loans	9 922	7 632	993	1 297
Other commercial loans	31 759	23 162	3 825	4 772
Agricultural loans	824	824	0	0
Consumer loans	892	678	96	118
Housing mortgage loans to individuals	309	14	274	21
Other loans	5 091	5 064	2	25
Loans to nonfinancial institutions and other customers, total	48 797	37 374	5 190	6 233
Less: specific provisions	1 563	1 472	16	75
Assets for resale	306	306	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 310	984	129	197
Intangible assets	8	8	0	0
Premises and other fixed assets	401	401	0	0
Assets, total	77 787	39 808	19 177	18 802
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	4 706	4 664	1	41
Demand deposits of banks	0	0	0	0
Time deposits of banks	4 644	4 644	0	0
Deposits of other financial institutions	62	20	1	41
Deposits of nonfinancial institutions and other customers	54 530	19 415	18 117	16 998
Demand deposits	14 288	8 348	2 834	3 106
Time deposits	39 378	10 591	14 937	13 850
Savings deposits	864	476	346	42
Deposits, total	59 236	24 079	18 118	17 039
Borrowings under repurchase agreements	1 407	1 407	0	0
Short-term borrowings	16	7	9	0
Long-term borrowings	811	811	0	0
Subordinated term debt and debt/equity (hybrid) instruments	1 000	1 000	0	0
Other liabilities	1 839	1 054	223	562
Liabilities, total	64 309	28 358	18 350	17 601
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 478	13 478		
Shareholder capital	13 000	13 000		
Reserves	675	675		
Profit/loss, current year	-197	-197		
Liabilities, minority interest, and capital, total	77 787	41 836	18 350	17 601
Memo: credit substitutes and other off-balance sheet commitments	11 279	6 564	1 629	3 086



INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

122

Commercial Banks in Bulgaria

INCOME STATEMENT (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	3 444	2 080	595	769
Interest income from claims on financial institutions	118	0	57	61
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	52	0	52	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	3 274	2 080	486	708
Dividend income	0	0	0	0
INTEREST EXPENDITURE	1 812	715	487	610
Interest expenditure on deposits of financial institutions	89	89	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	1 637	553	481	603
Interest expenditure on borrowings under repurchase agreements	18	18	0	0
Interest expenditure on borrowings	30	17	6	7
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	38	38	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 632	1 365	108	159
CREDIT PROVISIONS				
Accrued provisions	1 334			
Reintegrated provisions	832			
Credit provisions, net	502			
TRADING PORTFOLIO GAIN/LOSS	21			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	1 692			
NONINTEREST EXPENDITURE	2 962			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-119			
FOREX REVALUATION GAIN/LOSS	17			
EXTRAORDINARY GAIN/LOSS	7			
TAX	102			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-197			



INTERNATIONAL BANK FOR TRADE AND DEVELOPMENT

123

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Protocol No. 7 of 5 February 1991 of the BNB Governing Council. License updated under § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks. Order No. 100-00572 of 23 December 1999.
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Legal registration	Resolution No. 4864 of 22 February 1991 of the Sofia City Court, Company Department
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Address of the head office	2 Ivan Vazov Str., Sofia 1000 tel. 02/980 60 85; 986 41 47; 987 15 16
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Management

Supervisory Board	Delcho Radev Poryazov – Chairman
	Marta Nedyalkova Pousheva–Borislavova – Deputy Chairman
	Carolyne Guichoud
	Vyara Mihailova Tserovska
	Ivan Dimitrov Kapitanov
Management Board	Alexander Vasilev Alexandrov – Chairman and Executive Director
	Mladen Georgiev Ivanov – Executive Director
	Boyan Nedelchev Penkov – Executive Director
	Asen Ignatov Simeonov
	Lyubomir Hristoforov Pelev

Shareholders (shares over 10%)



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	11 204	6 185	3 274	1 745
Claims on financial institutions, net	17 817	8 726	3 936	5 155
Claims under repurchase agreements	486	486	0	0
Trading portfolio	14 882	11 016	2 778	1 088
Investment portfolio	405	405	0	0
Loans to nonfinancial institutions and other customers, net	96 830	65 808	20 185	10 837
Loans to budget	0	0	0	0
Commercial loans	73 910	43 476	19 597	10 837
Commercial real estate and construction loans	27 553	7 977	13 961	5 615
Other commercial loans	46 357	35 499	5 636	5 222
Agricultural loans	10 242	10 242	0	0
Consumer loans	8 294	7 827	467	0
Housing mortgage loans to individuals	703	582	121	0
Other loans	4 994	4 946	0	48
Loans to nonfinancial institutions and other customers, total	98 143	67 073	20 185	10 885
Less: specific provisions	1 313	1 265	0	48
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	836	754	77	5
Intangible assets	637	637	0	0
Premises and other fixed assets	3 093	3 093	0	0
Assets, total	146 190	97 110	30 250	18 830
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 641	11 326	290	25
Demand deposits of banks	103	81	0	22
Time deposits of banks	174	174	0	0
Deposits of other financial institutions	11 364	11 071	290	3
Deposits of nonfinancial institutions and other customers	95 632	45 141	32 592	17 899
Demand deposits	24 846	21 095	1 426	2 325
Time deposits	65 087	21 797	28 956	14 334
Savings deposits	5 699	2 249	2 210	1 240
Deposits, total	107 273	56 467	32 882	17 924
Borrowings under repurchase agreements	3 503	3 503	0	0
Short-term borrowings	52	0	0	52
Long-term borrowings	15 589	11 628	3 961	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	3 116	2 793	252	71
Liabilities, total	129 533	74 391	37 095	18 047
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	16 657	16 657		
Shareholder capital	16 000	16 000		
Reserves	631	631		
Profit/loss, current year	26	26		
Liabilities, minority interest, and capital, total	146 190	91 048	37 095	18 047
Memo: credit substitutes and other off-balance sheet commitments	24 818	18 360	5 876	582

* Former Neftinvestbank.

INCOME STATEMENT

(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	7 898	5 143	1 863	892
Interest income from claims on financial institutions	63	10	34	19
Interest income from claims under repurchase agreements	40	19	0	21
Interest income from trading portfolio	481	356	89	36
Interest income from investment portfolio	0	0	0	0
Interest income from loans	7 314	4 758	1 740	816
Dividend income	0	0	0	0
INTEREST EXPENDITURE	3 532	1 526	1 382	624
Interest expenditure on deposits of financial institutions	481	464	5	12
Interest expenditure on deposits of nonfinancial institutions and other customers	2 621	725	1 284	612
Interest expenditure on borrowings under repurchase agreements	183	172	11	0
Interest expenditure on borrowings	247	165	82	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	4 366	3 617	481	268
CREDIT PROVISIONS				
Accrued provisions	1 165			
Reintegrated provisions	135			
Credit provisions, net	1 030			
TRADING PORTFOLIO GAIN/LOSS	154			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	85			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	2 385			
NONINTEREST EXPENDITURE	5 675			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	285			
FOREX REVALUATION GAIN/LOSS	-222			
EXTRAORDINARY GAIN/LOSS	-37			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	26			


STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 364 of the BNB Governing Council of 1 December 1994, updated in accordance with the Law on Banks by Order No. 100-000574 of 27 December 1999
Legal registration	Resolution No.1 of the Sofia City Court dated 16 December 1994
Address of the head office	155 Rakovski Str., Sofia 1000 tel. 02/981 77 34; 9305 130 Website: www.ibank.bg
Management	
Supervisory Board	Petya Ivanova Barakova-Slavova – Chairman
	Vincom AD, represented by Krastinka Radkova Stoyanova – Deputy Chairman
	Festa Holding AD, represented by Petya Slavova
Management Board	Damyan Nikolov Damyanov – Chairman and Executive Director
	Kiril Savov Grigorov – Executive Director
Procurator	Dimitar Marinov Dimitrov
Shareholders (shares over 10%)	
	Festa Holding – 63%
	Vincom – 19.37%
	DZI General Insurance – 10.41%



MUNICIPAL BANK

127

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	45 309	32 218	11 635	1 456
Claims on financial institutions, net	44 904	266	25 439	19 199
Claims under repurchase agreements	5 563	5 563	0	0
Trading portfolio	158 878	120 318	32 249	6 311
Investment portfolio	2 389	1 068	979	342
Loans to nonfinancial institutions and other customers, net	141 357	84 442	45 266	11 649
Loans to budget	3 658	3 658	0	0
Commercial loans	125 450	70 069	44 416	10 965
Commercial real estate and construction loans	43 984	17 407	23 934	2 643
Other commercial loans	81 466	52 662	20 482	8 322
Agricultural loans	2 860	2 860	0	0
Consumer loans	9 898	9 683	215	0
Housing mortgage loans to individuals	3 983	2 920	1 043	20
Other loans	9 119	4 864	3 557	698
Loans to nonfinancial institutions and other customers, total	154 968	94 054	49 231	11 683
Less: specific provisions	13 611	9 612	3 965	34
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	2 456	2 105	64	287
Intangible assets	2 733	2 733	0	0
Premises and other fixed assets	9 298	9 298	0	0
Assets, total	412 887	258 011	115 632	39 244
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	18 405	11 952	665	5 788
Demand deposits of banks	810	487	160	163
Time deposits of banks	11 485	5 400	489	5 596
Deposits of other financial institutions	6 110	6 065	16	29
Deposits of nonfinancial institutions and other customers	309 009	245 766	32 734	30 509
Demand deposits	223 578	209 998	8 097	5 483
Time deposits	72 539	30 896	19 385	22 258
Savings deposits	12 892	4 872	5 252	2 768
Deposits, total	327 414	257 718	33 399	36 297
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	5 229	794	4 435	0
Long-term borrowings	34 130	1 119	33 011	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	7 674	5 962	1 251	461
Liabilities, total	374 447	265 593	72 096	36 758
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	38 440	38 440		
Shareholder capital	25 000	25 000		
Reserves	11 046	11 046		
Profit/loss, current year	2 394	2 394		
Liabilities, minority interest, and capital, total	412 887	304 033	72 096	36 758
Memo: credit substitutes and other off-balance sheet commitments	46 936	36 865	5 910	4 161



INCOME STATEMENT
(September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	18 236	13 269	4 027	940
Interest income from claims on financial institutions	823	211	434	178
Interest income from claims under repurchase agreements	291	290	0	1
Interest income from trading portfolio	6 765	5 271	1 262	232
Interest income from investment portfolio	37	24	2	11
Interest income from loans	10 320	7 473	2 329	518
Dividend income	0	0	0	0
INTEREST EXPENDITURE	3 950	1 439	2 006	505
Interest expenditure on deposits of financial institutions	273	231	23	19
Interest expenditure on deposits of nonfinancial institutions and other customers	2 160	1 166	508	486
Interest expenditure on borrowings under repurchase agreements	28	28	0	0
Interest expenditure on borrowings	1 489	14	1 475	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	14 286	11 830	2 021	435
CREDIT PROVISIONS				
Accrued provisions	2 897			
Reintegrated provisions	1 306			
Credit provisions, net	1 591			
TRADING PORTFOLIO GAIN/LOSS	1 502			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	145			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	5 522			
NONINTEREST EXPENDITURE	16 635			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	3 229			
FOREX REVALUATION GAIN/LOSS	-263			
EXTRAORDINARY GAIN/LOSS	0			
TAX	572			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 394			



MUNICIPAL BANK

129

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

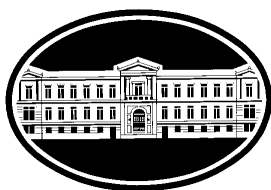
License granted by the BNB	Order No. 100-00491 of the BNB Governor dated 17 November 1999
Legal registration	Resolution No.1 of 4 April 1996 of the Sofia City Court on company file No. 5197 of 1996, lot No. 737, reg. II, vol. 13, p. 138
Address of the head office	6 Vrabcha Str., Sofia 1000 tel. 02/930 01 11 Website: www.municipalbank.bg

Management

Supervisory Board	Lyubomir Vladimirov Pavlov – Chairman Ventsislav Stoyanov Nikolov Petar Dimitrov Dzhorinski
Management Board	Vanya Georgieva Vasileva – Chief Executive Director Vasil Svilenov Piralkov – Executive Director Angel Kirilov Gekov – Executive Director Vladimir Todorov Hristov Vasil Petrov Vasilev
Procurator	Raiko Ivanov Karagiozov

Shareholders (shares over 10%)

Sofia Municipality – 67%



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

130

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN 000)						
	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	10 431	0	10 431	1 776	219	8 436
Claims on financial institutions, net	140 966	139 039	1 927	1 700	169	58
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	3 199	0	3 199	0	1 034	2 165
Investment portfolio	15	0	15	15	0	0
Loans to nonfinancial institutions and other customers, net	61 907	0	61 907	1 764	58 414	1 729
Loans to budget	0	0	0	0	0	0
Commercial loans	62 795	0	62 795	1 692	59 374	1 729
Commercial real estate and construction loans	40 260	0	40 260	8	40 252	0
Other commercial loans	22 535	0	22 535	1 684	19 122	1 729
Agricultural loans	0	0	0	0	0	0
Consumer loans	278	0	278	106	172	0
Housing mortgage loans to individuals	5	0	5	0	5	0
Other loans	3	0	3	3	0	0
Loans to nonfinancial institutions and other customers, total	63 081	0	63 081	1 801	59 551	1 729
Less: specific provisions	1 174	0	1 174	37	1 137	0
Assets for resale	0	0	0	0	0	0
Other assets, net	208	0	208	199	8	1
Intangible assets	250	0	250	250	0	0
Premises and other fixed assets	95	0	95	95	0	0
Assets, total	217 071	139 039	78 032	5 799	59 844	12 389
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	164 124	103 204	60 920	231	16 898	43 791
Demand deposits of banks	373	373	0	0	0	0
Time deposits of banks	156 713	100 902	55 811	0	13 399	42 412
Deposits of other financial institutions	7 038	1 929	5 109	231	3 499	1 379
Deposits of nonfinancial institutions and other customers	38 612	0	38 612	6 818	17 873	13 921
Demand deposits	7 653	0	7 653	3 190	3 971	492
Time deposits	19 002	0	19 002	3 109	7 337	8 556
Savings deposits	11 957	0	11 957	519	6 565	4 873
Deposits, total	202 736	103 204	99 532	7 049	34 771	57 712
Borrowings under repurchase agreements	1 576	0	1 576	0	0	1 576
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	10 836	9 462	1 374	429	931	14
Liabilities, total	215 148	112 666	102 482	7 478	35 702	59 302
Reserves and financial result, total	1 923	381	1 542	1 542		
Reserves	381	381	0	0		
Profit/loss, current year	1 542	0	1 542	1 542		
Liabilities, reserves, and financial result, total	217 071	113 047	104 024	9 020	35 702	59 302
Memo: credit substitutes and other off-balance sheet commitments	59 069	480	58 589	669	53 451	4 469



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

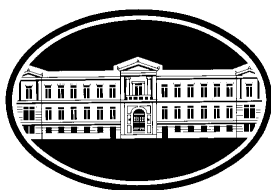
131

INCOME STATEMENT (September 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	6 158	3 827	2 331	132	2116	83
Interest income from claims on financial institutions	3 855	3 827	28	27	1	0
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	68	0	68	0	45	23
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	2 235	0	2 235	105	2070	60
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	2 533	1 366	1 167	140	534	493
Interest expenditure on deposits of financial institutions	2 077	1 366	711	57	293	361
Interest expenditure on deposits of nonfinancial institutions and other customers	456	0	456	83	241	132
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	3 625	2 461	1 164	-8	1582	-410
CREDIT PROVISIONS						
Accrued provisions	823	0	823			
Reintegrated provisions	234	0	234			
Credit provisions, net	589	0	589			
TRADING PORTFOLIO GAIN/LOSS	-362	-511	149			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	1	0	1			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME	752	191	561			
NONINTEREST EXPENDITURE	1 411	0	1 411			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 016	2 141	-125			
FOREX REVALUATION GAIN/LOSS	-100	0	-100			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	374	0	374			
PROFIT/LOSS, NET	1 542	2 141	-599			

Balance Sheets and Income Statements of Individual Commercial Banks



NATIONAL BANK OF GREECE C. A., SOFIA BRANCH

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 78 of 13 March 1995 of the BNB Governing Council. License updated under § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks. Order No. 100-00565 of 22 December 1999.
Legal registration	Resolution of 6 March 1996 of the Sofia City Court, entered in the Commercial Register, company file No. 100924 of 1995, lot No. 30385, vol. 348, p. 176.
Address of the branch	96 Rakovski Str., Sofia 1000 tel. 02/981 50 10; 980 29 96 Website: www.nbg.gr

Management

Moisis Romanidis-Kyriakidis – Governor

Donka Yordanova Popovska – Deputy Governor

Shareholders (shares over 10%)

A branch of the National Bank of Greece, Athens

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	31 832	0	31 832	9 991	2 131	19 710
Claims on financial institutions, net	7 282	3 465	3 817	0	2 418	1 399
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	12	0	12	12	0	0
Investment portfolio	0	0	0	0	0	0
Loans to nonfinancial institutions and other customers, net	311 591	0	311 591	44 329	245 552	21 710
Loans to budget	0	0	0	0	0	0
Commercial loans	304 863	0	304 863	40 831	242 428	21 604
Commercial real estate and construction loans	168 039	0	168 039	23 651	128 598	15 790
Other commercial loans	136 824	0	136 824	17 180	113 830	5 814
Agricultural loans	0	0	0	0	0	0
Consumer loans	2 838	0	2 838	2 265	537	36
Housing mortgage loans to individuals	7 460	0	7 460	1 829	5 338	293
Other loans	1	0	1	1	0	0
Loans to nonfinancial institutions and other customers, total	315 162	0	315 162	44 926	248 303	21 933
Less: specific provisions	3 571	0	3 571	597	2 751	223
Assets for resale	0	0	0	0	0	0
Other assets, net	1 398	0	1 398	194	1 190	14
Intangible assets	2 750	0	2 750	2 750	0	0
Premises and other fixed assets	2 383	0	2 383	2 383	0	0
Assets, total	357 248	3 465	353 783	59 659	251 291	42 833
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	241 154	217 285	23 869	6 378	10 391	7 100
Demand deposits of banks	0	0	0	0	0	0
Time deposits of banks	238 863	217 285	21 578	4 118	10 366	7 094
Deposits of other financial institutions	2 291	0	2 291	2 260	25	6
Deposits of nonfinancial institutions and other customers	93 239	0	93 239	28 965	46 600	17 674
Demand deposits	38 344	0	38 344	17 661	15 788	4 895
Time deposits	39 591	0	39 591	9 235	21 097	9 259
Savings deposits	15 304	0	15 304	2 069	9 715	3 520
Deposits, total	334 393	217 285	117 108	35 343	56 991	24 774
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	14 480	5 533	8 947	3 138	3 958	1 851
Liabilities, total	348 873	222 818	126 055	38 481	60 949	26 625
Reserves and financial result, total	8 375	3 338	5 037	5 037		
Reserves	3 338	3 338	0	0		
Profit/loss, current year	5 037	0	5 037	5 037		
Liabilities, reserves, and financial result, total	357 248	226 156	131 092	43 518	60 949	26 625
Memo: credit substitutes and other off-balance sheet commitments	112 464	13 892	98 572	42 219	42 799	13 554

INCOME STATEMENT
(September 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	12 394	211	12 183	2 467	8285	1431
Interest income from claims on financial institutions	263	211	52	3	33	16
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	0	0	0	0	0	0
Interest income from loans	12 131	0	12 131	2 464	8252	1415
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	4 177	2 296	1 881	676	852	353
Interest expenditure on deposits of financial institutions	3 344	2 296	1 048	404	495	149
Interest expenditure on deposits of nonfinancial institutions and other customers	833	0	833	272	357	204
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	8 217	-2 085	10 302	1 791	7433	1078
CREDIT PROVISIONS						
Accrued provisions	1 291	0	1 291			
Reintegrated provisions	59	0	59			
Credit provisions, net	1 232	0	1 232			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME	3 995	250	3 745			
NONINTEREST EXPENDITURE	4 926	0	4 926			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	6 054	-1 835	7 889			
FOREX REVALUATION GAIN/LOSS	198	25	173			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	1 215	0	1 215			
PROFIT/LOSS, NET	5 037	-1 810	6 847			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	By Resolution No. 80 of 18 March 1993 the BNB Governing Council granted a license to <i>Xiosbank, Athens</i> , to conduct bank transactions in Sofia under Article 1, para. 2 of the Law on Banks and Credit Activity. License updated under § 47 of the Transitional and Final Provisions of the Law on Amendments to the Law on Banks by Order No. 100-00562 of 22 December 1999. By Resolution No. 11 of 15 February 2001 of the Sofia City Court the change in the branch name was entered in the Commercial Register, vol. 133, p. 82, lot No. 8939: Xiosbank, Sofia branch, is renamed to Piraeus Bank, Sofia branch, due to effected merger of Xiosbank, Athens, Greece, and Piraeus Bank, Athens, Greece.
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Legal registration	Resolution of the Sofia City Court of 27 April 1993, lot No. 8931, vol. 133, reg. I, p. 52.
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Address of the branch	3 Vitosha Blvd., Sofia 1000 tel.02/980 89 03; 980 56 54 Website: www.piraeus.gr
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Management

Athanasios Aristeidis Koutsopoulos

Margarita Dobрева Petrova-Karidi

Zhasmina Stoilova Uzunova

Silva Videnova Nakova

Management Board	Piraeus Bank, Sofia Branch, is managed jointly by each two of the four authorized governors: Athanasios Aristeidis Koutsopoulos Margarita Dobрева Petrova-Karidi Zhasmina Stoilova Uzunova Silva Videnova Nakova
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Shareholders
(shares over 10%)

A branch of Piraeus Bank, Athens


BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	14 648	8 917	1 470	4 261
Claims on financial institutions, net	36 070	3 128	23 685	9 257
Claims under repurchase agreements	0	0	0	0
Trading portfolio	8 214	0	7 442	772
Investment portfolio	37	37	0	0
Loans to nonfinancial institutions and other customers, net	222 839	106 400	112 071	4 368
Loans to budget	0	0	0	0
Commercial loans	205 218	94 829	106 138	4 251
Commercial real estate and construction loans	29 129	2 815	25 037	1 277
Other commercial loans	176 089	92 014	81 101	2 974
Agricultural loans	1 054	1 054	0	0
Consumer loans	12 493	12 210	272	11
Housing mortgage loans to individuals	7 442	631	6 692	119
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	226 207	108 724	113 102	4 381
Less: specific provisions	3 368	2 324	1 031	13
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	500	500	0	0
Other assets, net	1 714	1 296	363	55
Intangible assets	1 306	1 306	0	0
Premises and other fixed assets	4 110	4 110	0	0
Assets, total	289 438	125 694	145 031	18 713
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	23 455	18 054	3 888	1 513
Demand deposits of banks	1 453	15	758	680
Time deposits of banks	11 894	8 039	3 067	788
Deposits of other financial institutions	10 108	10 000	63	45
Deposits of nonfinancial institutions and other customers	109 858	63 772	31 431	14 655
Demand deposits	36 189	27 026	7 960	1 203
Time deposits	72 829	36 489	23 085	13 255
Savings deposits	840	257	386	197
Deposits, total	133 313	81 826	35 319	16 168
Borrowings under repurchase agreements	3 279	3 279	0	0
Short-term borrowings	1 013	0	1 013	0
Long-term borrowings	103 966	28 445	70 733	4 788
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	5 566	3 247	1 964	355
Liabilities, total	247 137	116 797	109 029	21 311
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	42 301	42 301		
Shareholder capital	34 500	34 500		
Reserves	1 961	1 961		
Profit/loss, current year	5 840	5 840		
Liabilities, minority interest, and capital, total	289 438	159 098	109 029	21 311
Memo: credit substitutes and other off-balance sheet commitments	17 176	6 545	8 899	1 732



ProCredit Bank

PROCREDIT BANK

137

INCOME STATEMENT
(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	24 497	13 798	9 972	727
Interest income from claims on financial institutions	578	83	329	166
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	365	0	326	39
Interest income from investment portfolio	0	0	0	0
Interest income from loans	23 554	13 715	9 317	522
Dividend income	0	0	0	0
INTEREST EXPENDITURE	6 738	3 384	3 015	339
Interest expenditure on deposits of financial institutions	910	725	142	43
Interest expenditure on deposits of nonfinancial institutions and other customers	1 772	1 168	368	236
Interest expenditure on borrowings under repurchase agreements	133	133	0	0
Interest expenditure on borrowings	3 923	1 358	2 505	60
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	17 759	10 414	6 957	388
CREDIT PROVISIONS				
Accrued provisions	4 661			
Reintegrated provisions	2 719			
Credit provisions, net	1 942			
TRADING PORTFOLIO GAIN/LOSS	142			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	3 100			
NONINTEREST EXPENDITURE	11 844			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	7 215			
FOREX REVALUATION GAIN/LOSS	32			
EXTRAORDINARY GAIN/LOSS	2			
TAX	1 409			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	5 840			

Balance Sheets and Income Statements of Individual Commercial Banks


ProCredit Bank
PROCREDIT BANK
STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Order No. RD 22-442 of 25 September 2001
Legal registration	No. 64 228 , vol. 733, reg. I, p. 116 on company file No. 9478 of the Sofia City Court of 2001
Address of the head office	131 Hristo Botev Blvd., Sofia 1233 tel. 02/921 71 00; 921 71 41 Website: www.procreditbank.bg
Management	
Supervisory Board	Klaus-Peter Zeitingner – Chairman
	Judith Brandsma – Deputy Chairman
	Christoph Freytag
	Helmut Töllner
	Hanns Martin Hagen
Management Board	Susanne Decker – Chairman
	Kai Ilm
	Petar Slavchev Slavov
	Emilia Hristova Tsareva
Shareholders (shares over 10%)	
	IMI – Internationale Micro Investitionen AG – 20.8%
	European Bank for Reconstruction and Development – 20%
	DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH – 20%
	Commerzbank AG – 20%
	International Financial Corporation – 19.2%



RAIFFEISENBANK, BULGARIA

139

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	232 052	171 596	6 312	54 144
Claims on financial institutions, net	16 399	9 967	914	5 518
Claims under repurchase agreements	15 449	193	306	14 950
Trading portfolio	98 493	22 316	52 041	24 136
Investment portfolio	27 098	4 727	13 314	9 057
Loans to nonfinancial institutions and other customers, net	895 743	196 049	624 636	75 058
Loans to budget	0	0	0	0
Commercial loans	830 762	139 984	612 202	78 576
Commercial real estate and construction loans	147 411	17 558	123 303	6 550
Other commercial loans	683 351	122 426	488 899	72 026
Agricultural loans	13 291	4 069	8 301	921
Consumer loans	59 343	57 727	1 476	140
Housing mortgage loans to individuals	18 909	909	15 765	2 235
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	922 305	202 689	637 744	81 872
Less: specific provisions	26 562	6 640	13 108	6 814
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	540	540	0	0
Other assets, net	3 260	1 003	1 515	742
Intangible assets	4 219	4 219	0	0
Premises and other fixed assets	11 031	11 031	0	0
Assets, total	1 304 284	421 641	699 038	183 605
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	113 646	15 425	27 390	70 831
Demand deposits of banks	14 694	1 662	12 948	84
Time deposits of banks	84 740	4 056	12 576	68 108
Deposits of other financial institutions	14 212	9 707	1 866	2 639
Deposits of nonfinancial institutions and other customers	700 291	281 896	251 899	166 496
Demand deposits	422 403	209 840	125 066	87 497
Time deposits	277 888	72 056	126 833	78 999
Savings deposits	0	0	0	0
Deposits, total	813 937	297 321	279 289	237 327
Borrowings under repurchase agreements	19 547	0	4 435	15 112
Short-term borrowings	4 892	0	0	4 892
Long-term borrowings	295 891	2 312	242 979	50 600
Subordinated term debt and debt/equity (hybrid) instruments	31 293	0	31 293	0
Other liabilities	42 501	18 793	18 462	5 246
Liabilities, total	1 208 061	318 426	576 458	313 177
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	96 223	96 223		
Shareholder capital	46 037	46 037		
Reserves	30 116	30 116		
Profit/loss, current year	20 070	20 070		
Liabilities, minority interest, and capital, total	1 304 284	414 649	576 458	313 177
Memo: credit substitutes and other off-balance sheet commitments	269 121	62 778	155 892	50 451



INCOME STATEMENT

(September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	50 602	16 081	29 917	4 604
Interest income from claims on financial institutions	1 036	290	264	482
Interest income from claims under repurchase agreements	61	23	8	30
Interest income from trading portfolio	3 538	3 538	0	0
Interest income from investment portfolio	1 126	1 126	0	0
Interest income from loans	44 841	11 104	29 645	4 092
Dividend income	0	0	0	0
INTEREST EXPENDITURE	12 978	3 065	6 937	2 976
Interest expenditure on deposits of financial institutions	1 372	441	692	239
Interest expenditure on deposits of nonfinancial institutions and other customers	5 059	2 485	1 733	841
Interest expenditure on borrowings under repurchase agreements	290	98	128	64
Interest expenditure on borrowings	4 836	41	2 963	1 832
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	1 421	0	1 421	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	37 624	13 016	22 980	1 628
CREDIT PROVISIONS				
Accrued provisions	13 884			
Reintegrated provisions	7 115			
Credit provisions, net	6 769			
TRADING PORTFOLIO GAIN/LOSS	2 505			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	17 767			
NONINTEREST EXPENDITURE	26 349			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	24 778			
FOREX REVALUATION GAIN/LOSS	174			
EXTRAORDINARY GAIN/LOSS	-20			
TAX	4 862			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	20 070			



RAIFFEISENBANK, BULGARIA

141

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution No. 198 of 16 June 1994 of the BNB Governing Council, updated by Order No. 100-00497 of the BNB Governor dated 18 November 1999
Legal registration	Resolution of the Sofia City Court of 1 August 1994 on company file No. 14195, lot No. 18414, vol. 230, p. 38
Address of the head office	18–20 Gogol Str., Sofia 1000 tel. 02/919 85 101 Website: www.rbb.bg
Management	
Supervisory Board	Herbert Stepic – Chairman
	Heinz Heudel
	Heinz Wiedner
Management Board	Momchil Ivanov Andreev – Chairman and Executive Director
	Tsenka Kalcheva Petkova – Executive Director
	Evelina Miltenova Georgieva – Executive Director
Shareholders (shares over 10%)	
Raiffeisen International Bank-Holding AG – 100%	



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	48 891	16 524	3 300	29 067
Claims on financial institutions, net	153 437	9 437	21 755	122 245
Claims under repurchase agreements	0	0	0	0
Trading portfolio	28 715	21 236	900	6 579
Investment portfolio	164	160	4	0
Loans to nonfinancial institutions and other customers, net	499 813	327 919	144 317	27 577
Loans to budget	49	49	0	0
Commercial loans	233 894	64 601	138 996	30 297
Commercial real estate and construction loans	0	0	0	0
Other commercial loans	233 894	64 601	138 996	30 297
Agricultural loans	3 699	616	3 083	0
Consumer loans	212 040	212 040	0	0
Housing mortgage loans to individuals	11 861	9 756	1 113	992
Other loans	58 613	48 765	6 025	3 823
Loans to nonfinancial institutions and other customers, total	520 156	335 827	149 217	35 112
Less: specific provisions	20 343	7 908	4 900	7 535
Assets for resale	634	634	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 293	2 545	461	287
Intangible assets	680	680	0	0
Premises and other fixed assets	30 520	30 520	0	0
Assets, total	766 147	409 655	170 737	185 755
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	42 225	42 058	162	5
Demand deposits of banks	9	6	0	3
Time deposits of banks	37 797	37 797	0	0
Deposits of other financial institutions	4 419	4 255	162	2
Deposits of nonfinancial institutions and other customers	597 919	270 200	129 638	198 081
Demand deposits	202 937	152 706	24 869	25 362
Time deposits	230 479	93 006	57 784	79 689
Savings deposits	164 503	24 488	46 985	93 030
Deposits, total	640 144	312 258	129 800	198 086
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	23	23	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	20 891	16 508	2 591	1 792
Liabilities, total	661 058	328 789	132 391	199 878
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	105 089	105 089		
Shareholder capital	28 530	28 530		
Reserves	57 542	57 542		
Profit/loss, current year	19 017	19 017		
Liabilities, minority interest, and capital, total	766 147	433 878	132 391	199 878
Memo: credit substitutes and other off-balance sheet commitments	112 915	40 622	61 508	10 785

INCOME STATEMENT

(September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	39 264	30 492	6 764	2 008
Interest income from claims on financial institutions	1 368	6	202	1 160
Interest income from claims under repurchase agreements	1	1	0	0
Interest income from trading portfolio	665	665	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	37 220	29 810	6 562	848
Dividend income	10	10	0	0
INTEREST EXPENDITURE	7 014	5 250	1 032	732
Interest expenditure on deposits of financial institutions	766	766	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	6 245	4 481	1 032	732
Interest expenditure on borrowings under repurchase agreements	2	2	0	0
Interest expenditure on borrowings	1	1	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	32 250	25 242	5 732	1 276
CREDIT PROVISIONS				
Accrued provisions	9 066			
Reintegrated provisions	7 445			
Credit provisions, net	1 621			
TRADING PORTFOLIO GAIN/LOSS	675			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	89			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	14 623			
NONINTEREST EXPENDITURE	22 552			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	23 464			
FOREX REVALUATION GAIN/LOSS	160			
EXTRAORDINARY GAIN/LOSS	0			
TAX	4 607			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	19 017			

**STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004**

License granted by the BNB	License No. 00246 of 4 June 1993, updated in accordance with the Law on Banks by Order No. 100-00490 of the BNB Governor dated 17 November 1999
Legal registration	Resolution No. 4024 of 26 June 1993 of the Varna Regional Court. A permit was given to Expressbank to be renamed SG Expressbank by Order No. 100-00504 of the BNB Governor dated 18 November 1999.
Address of the head office	92 Vladislav Varnenchik Blvd., Varna 9000 tel. 052/66 00; 02/937 04 76 Website: www.sgexpressbank.bg
Management	
Supervisory Board	Jacques Tournebize – Chairman
	Roger Bernard Servonet – Deputy Chairman
Management Board	Jean-Louis Mattei
	Andre-Marc Prudent
	Sandy Gillio – Chairman and Chief Executive Officer
	Philippe Guidez – Executive Vice President
	Gabriel Schoenholtzer – Executive Director
	Maria Stoyanova Dobрева
Shareholders (shares over 10%)	Krassimir Georgiev Zhilov
	Societe Generale, Paris – 97.95%



T. C. ZIRAAT BANK, SOFIA BRANCH

145

Balance Sheets and Income Statements of Individual Commercial Banks

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Related parties	(BGN 000)			
			Total	BGN	EUR	Other currencies
ASSETS						
Vault cash and current accounts with the BNB	1 361	0	1 361	616	556	189
Claims on financial institutions, net	16 053	5 054	10 999	1 502	9 022	475
Claims under repurchase agreements	0	0	0	0	0	0
Trading portfolio	0	0	0	0	0	0
Investment portfolio	23 420	0	23 420	0	19 341	4 079
Loans to nonfinancial institutions and other customers, net	530	0	530	242	63	225
Loans to budget	0	0	0	0	0	0
Commercial loans	586	0	586	381	0	205
Commercial real estate and construction loans	0	0	0	0	0	0
Other commercial loans	586	0	586	381	0	205
Agricultural loans	0	0	0	0	0	0
Consumer loans	142	0	142	59	63	20
Housing mortgage loans to individuals	0	0	0	0	0	0
Other loans	0	0	0	0	0	0
Loans to nonfinancial institutions and other customers, total	728	0	728	440	63	225
Less: specific provisions	198	0	198	198	0	0
Assets for resale	0	0	0	0	0	0
Other assets, net	37	0	37	35	2	0
Intangible assets	448	0	448	448	0	0
Premises and other fixed assets	91	0	91	91	0	0
Assets, total	41 940	5 054	36 886	2 934	28 984	4 968
LIABILITIES, MINORITY INTEREST, AND CAPITAL						
Deposits of financial institutions	2 883	2 883	0	0	0	0
Demand deposits of banks	2 883	2 883	0	0	0	0
Time deposits of banks	0	0	0	0	0	0
Deposits of other financial institutions	0	0	0	0	0	0
Deposits of nonfinancial institutions and other customers	11 885	0	11 885	2 228	4 731	4 926
Demand deposits	7 119	0	7 119	2 159	3 623	1 337
Time deposits	4 766	0	4 766	69	1 108	3 589
Savings deposits	0	0	0	0	0	0
Deposits, total	14 768	2 883	11 885	2 228	4 731	4 926
Borrowings under repurchase agreements	0	0	0	0	0	0
Short-term borrowings	0	0	0	0	0	0
Long-term borrowings	0	0	0	0	0	0
Other liabilities	166	0	166	78	41	47
Liabilities, total	14 934	2 883	12 051	2 306	4 772	4 973
Reserves and financial result, total	27 006	26 520	486	486		
Reserves	26 520	26 520	0	0		
Profit/loss, current year	486	0	486	486		
Liabilities, reserves, and financial result, total	41 940	29 403	12 537	2 792	4 772	4 973
Memo: credit substitutes and other off-balance sheet commitments	260	0	260	133	114	13



T. C. ZIRAAT BANK, SOFIA BRANCH

146

Commercial Banks in Bulgaria

INCOME STATEMENT (September 2004)

(BGN'000)

	Total	Related parties	Unrelated parties			
			Total	BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	1 347	12	1 335	63	1050	222
Interest income from claims on financial institutions	194	12	182	5	174	3
Interest income from claims under repurchase agreements	0	0	0	0	0	0
Interest income from trading portfolio	0	0	0	0	0	0
Interest income from investment portfolio	1076	0	1076	0	868	208
Interest income from loans	77	0	77	58	8	11
Dividend income	0	0	0	0	0	0
INTEREST EXPENDITURE	113	0	113	19	35	59
Interest expenditure on deposits of financial institutions	0	0	0	0	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	113	0	113	19	35	59
Interest expenditure on borrowings under repurchase agreements	0	0	0	0	0	0
Interest expenditure on borrowings	0	0	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 234	12	1 222	44	1015	163
CREDIT PROVISIONS						
Accrued provisions	0	0	0			
Reintegrated provisions	20	0	20			
Credit provisions, net	-20	0	-20			
TRADING PORTFOLIO GAIN/LOSS	0	0	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0	0	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0	0	0			
OTHER NONINTEREST INCOME	114	0	114			
NONINTEREST EXPENDITURE	771	0	771			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	597	12	585			
FOREX REVALUATION GAIN/LOSS	9	0	9			
EXTRAORDINARY GAIN/LOSS	0	0	0			
TAX	120	0	120			
PROFIT/LOSS, NET	486	12	474			



T. C. ZIRAAT BANK, SOFIA BRANCH

147

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Order No. 100-000218 of 26 June 1998 of the BNB Governor. By Order No. RD 22-512 of 19 October 2000 changes were made in item 6 on transactions under Article 54, para. 1 of the Law on Public Offering of Securities and item 9 was repealed; Item 6 was repealed by Order No. RD 22-458 of 2 October 2001 of the BNB Governor.
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Legal registration	Company file No. 8801 of 1998 of the Sofia City Court, lot No. 863, vol. 15, p. 173
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Address of the branch	19 Sveta Nedelya Sq., Sofia 1000 tel. 02/980 00 87 e-mail: ziraat@medicom.bg
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Management

Management Board	Sezgin Bayar – President Gurgan Sener – Vice President
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Shareholders (shares over 10%)

T. C. Ziraat Bank, Ankara – 100%



TEXIM PRIVATE ENTREPRENEURIAL BANK

148

Commercial Banks in Bulgaria

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	1 414	539	226	649
Claims on financial institutions, net	8 491	59	6 023	2 409
Claims under repurchase agreements	0	0	0	0
Trading portfolio	614	614	0	0
Investment portfolio	46	46	0	0
Loans to nonfinancial institutions and other customers, net	19 830	6 224	9 532	4 074
Loans to budget	0	0	0	0
Commercial loans	17 242	5 521	7 564	4 157
Commercial real estate and construction loans	3 690	210	3 041	439
Other commercial loans	13 552	5 311	4 523	3 718
Agricultural loans	436	413	23	0
Consumer loans	1 941	417	1 487	37
Housing mortgage loans to individuals	473	1	353	119
Other loans	114	0	112	2
Loans to nonfinancial institutions and other customers, total	20 206	6 352	9 539	4 315
Less: specific provisions	376	128	7	241
Assets for resale	577	577	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	1 649	1 622	3	24
Intangible assets	158	158	0	0
Premises and other fixed assets	5 698	5 698	0	0
Assets, total	38 477	15 537	15 784	7 156
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	1 494	1 489	5	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	1 486	1 485	1	0
Deposits of other financial institutions	8	4	4	0
Deposits of nonfinancial institutions and other customers	13 992	6 086	2 815	5 091
Demand deposits	6 271	3 853	464	1 954
Time deposits	6 954	1 797	2 180	2 977
Savings deposits	767	436	171	160
Deposits, total	15 486	7 575	2 820	5 091
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	6 460	2 548	3 912	0
Subordinated term debt and debt/equity (hybrid) instruments	1 267	0	696	571
Other liabilities	1 332	1 222	63	47
Liabilities, total	24 545	11 345	7 491	5 709
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	13 932	13 932		
Shareholder capital	10 000	10 000		
Reserves	3 603	3 603		
Profit/loss, current year	329	329		
Liabilities, minority interest, and capital, total	38 477	25 277	7 491	5 709
Memo: credit substitutes and other off-balance sheet commitments	1 581	945	164	472



TEXIM PRIVATE ENTREPRENEURIAL BANK

149

INCOME STATEMENT (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	1 720	385	747	588
Interest income from claims on financial institutions	76	14	40	22
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	15	15	0	0
Interest income from investment portfolio	0	0	0	0
Interest income from loans	1 629	356	707	566
Dividend income	0	0	0	0
INTEREST EXPENDITURE	275	93	88	94
Interest expenditure on deposits of financial institutions	21	21	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	166	39	55	72
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	38	33	5	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	50	0	28	22
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 445	292	659	494
CREDIT PROVISIONS				
Accrued provisions	470			
Reintegrated provisions	247			
Credit provisions, net	223			
TRADING PORTFOLIO GAIN/LOSS	-9			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	1 098			
NONINTEREST EXPENDITURE	2 006			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	305			
FOREX REVALUATION GAIN/LOSS	24			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	329			

Balance Sheets and Income Statements of Individual Commercial Banks



TEXIM PRIVATE ENTREPRENEURIAL BANK

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Protocol Resolution No. 243 of 4 March 1992 of the BNB Governing Council, Resolution No. 248 of 11 April 1997 of the BNB Governing Council. License updated by Order No. 100-00570 of the BNB Governor dated 23 December 1999.
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Legal registration	Company file No. 24103 of the Sofia City Court of 1992, lot No. 4542, vol. 89, p. 180
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Address of the head office	107 Knyaginya Maria-Luiza Blvd., Sofia 1202 tel. 02/9359 300; 9359 301 Website: www.teximbank.bg
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Management

Supervisory Board	Marieta Georgieva Naidenova
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Rosen Ivanov Chobanov

Madlena Dimova Dimova

Management Board	Maria Petrova Vidolova – Chairman and Chief Executive Director
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Elena Borisova Delcheva – Executive Director

Roumen Emilov Vasilev – Executive Director

Shareholders (shares over 10%)

Paton Anstalt – 27.33%

Marieta Georgieva Naidenova – 15.24%

Pavlina Georgieva Naidenova – 15.09%



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	2 720	1 314	237	1 169
Claims on financial institutions, net	12 174	725	5 526	5 923
Claims under repurchase agreements	0	0	0	0
Trading portfolio	9 926	8 911	1 015	0
Investment portfolio	11	10	1	0
Loans to nonfinancial institutions and other customers, net	23 511	10 971	10 869	1 671
Loans to budget	0	0	0	0
Commercial loans	17 811	5 490	10 643	1 678
Commercial real estate and construction loans	1 850	875	876	99
Other commercial loans	15 961	4 615	9 767	1 579
Agricultural loans	5 950	5 813	129	8
Consumer loans	657	315	303	39
Housing mortgage loans to individuals	0	0	0	0
Other loans	613	539	0	74
Loans to nonfinancial institutions and other customers, total	25 031	12 157	11 075	1 799
Less: specific provisions	1 520	1 186	206	128
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	78	78	0	0
Intangible assets	149	149	0	0
Premises and other fixed assets	2 410	2 410	0	0
Assets, total	50 979	24 568	17 648	8 763
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	530	45	327	158
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	530	45	327	158
Deposits of nonfinancial institutions and other customers	28 085	6 974	3 529	17 582
Demand deposits	9 098	5 086	2 485	1 527
Time deposits	18 987	1 888	1 044	16 055
Savings deposits	0	0	0	0
Deposits, total	28 615	7 019	3 856	17 740
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	8 134	8 134	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	1 445	665	575	205
Liabilities, total	38 194	15 818	4 431	17 945
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	12 785	12 785		
Shareholder capital	30 000	30 000		
Reserves	-17 723	-17 723		
Profit/loss, current year	508	508		
Liabilities, minority interest, and capital, total	50 979	28 603	4 431	17 945
Memo: credit substitutes and other off-balance sheet commitments	14 648	13 261	1 382	5



TOKUDA BANK

152

Commercial Banks in Bulgaria

INCOME STATEMENT
(September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	2 975	1 315	1 111	549
Interest income from claims on financial institutions	96	8	70	18
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	763	417	202	144
Interest income from investment portfolio	0	0	0	0
Interest income from loans	2 115	889	839	387
Dividend income	1	1	0	0
INTEREST EXPENDITURE	812	184	38	590
Interest expenditure on deposits of financial institutions	6	3	1	2
Interest expenditure on deposits of nonfinancial institutions and other customers	732	107	37	588
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	74	74	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	2 163	1 131	1 073	-41
CREDIT PROVISIONS				
Accrued provisions	1 035			
Reintegrated provisions	1 339			
Credit provisions, net	-304			
TRADING PORTFOLIO GAIN/LOSS	310			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	403			
NONINTEREST EXPENDITURE	2 677			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	503			
FOREX REVALUATION GAIN/LOSS	5			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	508			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	No. 14004410 of 5 October 1994 by Resolution No. 365 of 1 December 1994 of the BNB Governing Council. License updated in accordance with the requirements of § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks by Order No. 100-00571 of the BNB Governor dated 23 December 1999. License by Order No. RD22-147 of 30 January 2003 to conduct bank operations in Bulgaria and abroad under Article No. 1, paras. 1 and 2 of the Law on Banks.
Legal registration	Resolution No. 4196 of 15 July 2002 of the Plovdiv Regional Court on company file No. 4463 of 2001 of the Plovdiv Regional Court, entered in the Commercial Register, lot No. 31, vol. 23, p. 122.
Address of the head office	1, Sixth of September Str., Sofia 1000 tel. 02/981 21 05; 937 00 30
Management	
Supervisory Board	Takahito Ohashi – Chairman
	International Hospital Services Co., represented by Rumen Slaveikov Serbezov
	Tokushukai, Sofia, represented by Lyubomir Petrov Dachev, Lachezar Kostadinov Dinchev and Momchil Tsenov Krustev
Management Board	Stoyan Iliev Alexandrov – Chairman and Executive Director
	Yuli Todorov Popov – Executive Director
	Lozana Lyubenova Slavchova*
Shareholders (shares over 10%)	
International Hospital Services Co. – 93.84%	

* Lozana Lyubenova Slavchova was elected by Tokuda Bank Management Board and approved by its Supervisory Board. However, her name was not entered in the Register till 29 October 2004.

BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

(BGN 000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	15 001	6 525	5 179	3 297
Claims on financial institutions, net	18 980	123	7 429	11 428
Claims under repurchase agreements	0	0	0	0
Trading portfolio	17 820	12 660	3 333	1 827
Investment portfolio	1 569	1 567	2	0
Loans to nonfinancial institutions and other customers, net	129 350	91 461	30 682	7 207
Loans to budget	1 556	1 556	0	0
Commercial loans	91 551	56 014	24 212	11 325
Commercial real estate and construction loans	19 443	6 477	12 913	53
Other commercial loans	72 108	49 537	11 299	11 272
Agricultural loans	13 233	13 233	0	0
Consumer loans	1 539	1 497	42	0
Housing mortgage loans to individuals	1 164	271	893	0
Other loans	25 493	19 958	5 535	0
Loans to nonfinancial institutions and other customers, total	134 536	92 529	30 682	11 325
Less: specific provisions	5 186	1 068	0	4 118
Assets for resale	182	182	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	3 900	3 367	300	233
Intangible assets	183	183	0	0
Premises and other fixed assets	13 048	13 048	0	0
Assets, total	200 033	129 116	46 925	23 992
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	515	462	3	50
Demand deposits of banks	83	52	0	31
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	432	410	3	19
Deposits of nonfinancial institutions and other customers	134 755	70 509	39 747	24 499
Demand deposits	80 829	60 216	16 475	4 138
Time deposits	43 663	6 483	19 107	18 073
Savings deposits	10 263	3 810	4 165	2 288
Deposits, total	135 270	70 971	39 750	24 549
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	8 463	3 919	2 491	2 053
Long-term borrowings	16 784	16 784	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	11 411	2 879	7 311	1 221
Liabilities, total	171 928	94 553	49 552	27 823
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	28 105	28 105		
Shareholder capital	20 050	20 050		
Reserves	5 337	5 337		
Profit/loss, current year	2 718	2 718		
Liabilities, minority interest, and capital, total	200 033	122 658	49 552	27 823
Memo: credit substitutes and other off-balance sheet commitments	64 741	49 333	10 529	4 879

* Former First East International Bank.

INCOME STATEMENT
 (September 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	8 818	6 648	1 553	617
Interest income from claims on financial institutions	106	3	65	38
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	590	464	107	19
Interest income from investment portfolio	0	0	0	0
Interest income from loans	8 122	6 181	1 381	560
Dividend income	0	0	0	0
INTEREST EXPENDITURE	2 141	814	718	609
Interest expenditure on deposits of financial institutions	1	1	0	0
Interest expenditure on deposits of nonfinancial institutions and other customers	2 140	813	718	609
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	0	0	0	0
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	6 677	5 834	835	8
CREDIT PROVISIONS				
Accrued provisions	3 018			
Reintegrated provisions	481			
Credit provisions, net	2 537			
TRADING PORTFOLIO GAIN/LOSS	459			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	0			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	5 220			
NONINTEREST EXPENDITURE	7 489			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	2 330			
FOREX REVALUATION GAIN/LOSS	-88			
EXTRAORDINARY GAIN/LOSS	476			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	2 718			

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Protocol No. 42 of the BNB Governing Council dated 25 October 1989. License updated under § 47 of the Transitional and Final Provisions of the Amendments to the Law on Banks, Order No. 100-00492 of the BNB Governor dated 17 November 1999.
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Legal registration	Resolution of the Sofia City Court of 6 May 1991, company file No. 2367
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Address of the head office	81-83 Todor Alexandrov Blvd., Sofia 1303 tel. 02/812 01 11; 920 43 03 Website: www.feibbank.com
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Management

Supervisory Board	Ivan Minkov Dragnevski – Chairman
	Georgi Stoinev Harizanov – Deputy Chairman
	Georgi Borislavov Georgiev
	Trayan Georgiev Lyalev
	Mladen Ivanov Moutafchiyski
Management Board	Anna Dimitrova Sabeva – Chairman and Governor
	Rositsa Asenova Tosheva – Executive member of the Management Board and Deputy Governor
	Ivan Yovev Kolev
	Yuri Jaque Aroio

Shareholders
(shares over 10%)

Dynatrade International – 25.51%



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	14 907	6 450	2 183	6 274
Claims on financial institutions, net	73 090	4 469	13 990	54 631
Claims under repurchase agreements	0	0	0	0
Trading portfolio	42 744	18 415	23 627	702
Investment portfolio	1 849	1 846	3	0
Loans to nonfinancial institutions and other customers, net	205 496	57 354	125 396	22 746
Loans to budget	160	160	0	0
Commercial loans	194 947	43 457	128 184	23 306
Commercial real estate and construction loans	88 868	6 014	71 640	11 214
Other commercial loans	106 079	37 443	56 544	12 092
Agricultural loans	14 575	14 575	0	0
Consumer loans	4 174	2 035	1 654	485
Housing mortgage loans to individuals	791	0	791	0
Other loans	0	0	0	0
Loans to nonfinancial institutions and other customers, total	214 647	60 227	130 629	23 791
Less: specific provisions	9 151	2 873	5 233	1 045
Assets for resale	25	25	0	0
Investments in unconsolidated subsidiaries and associated companies	1000	1000	0	0
Other assets, net	1 419	1 272	143	4
Intangible assets	1 261	1 261	0	0
Premises and other fixed assets	4 582	4 582	0	0
Assets, total	346 373	96 674	165 342	84 357
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	11 156	11 072	5	79
Demand deposits of banks	73	2	0	71
Time deposits of banks	6 438	6 438	0	0
Deposits of other financial institutions	4 645	4 632	5	8
Deposits of nonfinancial institutions and other customers	208 226	69 695	64 821	73 710
Demand deposits	72 464	45 234	15 291	11 939
Time deposits	129 088	24 202	45 848	59 038
Savings deposits	6 674	259	3 682	2 733
Deposits, total	219 382	80 767	64 826	73 789
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	0	0	0	0
Long-term borrowings	65 909	6 216	51 692	8 001
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	14 143	7 591	3 385	3 167
Liabilities, total	299 434	94 574	119 903	84 957
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	46 939	46 939		
Shareholder capital	15 412	15 412		
Reserves	27 156	27 156		
Profit/loss, current year	4 371	4 371		
Liabilities, minority interest, and capital, total	346 373	141 513	119 903	84 957
Memo: credit substitutes and other off-balance sheet commitments	40 922	28 075	10 523	2 324



UNIONBANK

158

Commercial Banks in Bulgaria

INCOME STATEMENT (September 2004)

	Total	(BGN'000)		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	16 591	4 012	9 443	3 136
Interest income from claims on financial institutions	422	27	139	256
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	2 102	591	975	536
Interest income from investment portfolio	95	13	72	10
Interest income from loans	13 972	3 381	8 257	2 334
Dividend income	0	0	0	0
INTEREST EXPENDITURE	6 672	1 223	2 980	2 469
Interest expenditure on deposits of financial institutions	247	237	5	5
Interest expenditure on deposits of nonfinancial institutions and other customers	4 527	831	1 599	2 097
Interest expenditure on borrowings under repurchase agreements	104	104	0	0
Interest expenditure on borrowings	1 794	51	1 376	367
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	9 919	2 789	6 463	667
CREDIT PROVISIONS				
Accrued provisions	8 203			
Reintegrated provisions	5 434			
Credit provisions, net	2 769			
TRADING PORTFOLIO GAIN/LOSS	581			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	287			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	8 022			
NONINTEREST EXPENDITURE	10 451			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	5 589			
FOREX REVALUATION GAIN/LOSS	-159			
EXTRAORDINARY GAIN/LOSS	0			
TAX	1 059			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	4 371			



STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Protocol Resolution of 20 October 1994 of the BNB Governing Council accompanied by Letter No. 140-00332 of 2 November 1994 and Order No. 100-00494 of 17 November 1999 of the BNB Governor for license update.
Legal registration	Company file No. 31533 of 1992, lot No. 648, vol. 12, p. 75
Address of the head office	10–12 Damyan Gruev Str., Sofia 1000 tel. 02/9153 333; 9153 315 Website: www.unionbank.bg
Management	
Supervisory Board	Ivan Totev Radev – Chairman
	Emanuil Yankov Manolov – Deputy Chairman
	Emil Ivanov Ivanov
	Andrew Seton
	Boras, represented by Georgi Nikolov Atanasov
Management Board	Anna Ivanova Asparouhova – Chairman
	Todor Kostadinov Nikolov – Deputy Chairman
	Dorcho Dimitrov Ilchev
	Evgeni Petkov Gospodinov
	Tatyana Kotseva–Radilova
Shareholders (shares over 10%)	Todor Trifonov Alexandrov
	Union Group – 21.83%
	EBRD – 15%
	Boras – 14.14%



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	151 740	55 484	18 295	77 961
Claims on financial institutions, net	267 177	23 678	78 010	165 489
Claims under repurchase agreements	49 713	22 321	27 392	0
Trading portfolio	136 243	58 250	15 953	62 040
Investment portfolio	16 914	3 993	12 921	0
Loans to nonfinancial institutions and other customers, net	1 273 754	774 961	444 665	54 128
Loans to budget	2 744	2 744	0	0
Commercial loans	760 286	281 721	427 033	51 532
Commercial real estate and construction loans	68 535	21 454	43 541	3 540
Other commercial loans	691 751	260 267	383 492	47 992
Agricultural loans	71 691	49 264	19 715	2 712
Consumer loans	325 241	324 912	296	33
Housing mortgage loans to individuals	143 044	136 726	5 875	443
Other loans	22 664	22 305	98	261
Loans to nonfinancial institutions and other customers, total	1 325 670	817 672	453 017	54 981
Less: specific provisions	51 916	42 711	8 352	853
Assets for resale	638	638	0	0
Investments in unconsolidated subsidiaries and associated companies	100	100	0	0
Other assets, net	6 499	6 499	0	0
Intangible assets	24 525	24 525	0	0
Premises and other fixed assets	68 418	68 418	0	0
Assets, total	1 995 721	1 038 867	597 236	359 618
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	41 332	13 153	23 143	5 036
Demand deposits of banks	19 291	1 186	15 257	2 848
Time deposits of banks	4 990	68	4 034	888
Deposits of other financial institutions	17 051	11 899	3 852	1 300
Deposits of nonfinancial institutions and other customers	1 547 462	745 774	447 273	354 415
Demand deposits	550 905	431 976	74 843	44 086
Time deposits	574 466	212 182	191 484	170 800
Savings deposits	422 091	101 616	180 946	139 529
Deposits, total	1 588 794	758 927	470 416	359 451
Borrowings under repurchase agreements	9 779	0	9 779	0
Short-term borrowings	0	0	0	0
Long-term borrowings	73 380	52 550	20 830	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	15 391	15 365	17	9
Liabilities, total	1 687 344	826 842	501 042	359 460
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	308 377	308 377		
Shareholder capital	75 964	75 964		
Reserves	185 391	185 391		
Profit/loss, current year	47 022	47 022		
Liabilities, minority interest, and capital, total	1 995 721	1 135 219	501 042	359 460
Memo: credit substitutes and other off-balance sheet commitments	157 914	73 352	70 599	13 963



UNITED BULGARIAN BANK

161

INCOME STATEMENT (September 2004)

	Total	(BGN'000) Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	110 038	78 861	25 449	5 728
Interest income from claims on financial institutions	2 619	465	675	1 479
Interest income from claims under repurchase agreements	591	245	307	39
Interest income from trading portfolio	4 798	2 088	1 099	1 611
Interest income from investment portfolio	1 409	255	1 051	103
Interest income from loans	100 621	75 808	22 317	2 496
Dividend income	0	0	0	0
INTEREST EXPENDITURE	14 213	9 725	3 184	1 304
Interest expenditure on deposits of financial institutions	783	607	105	71
Interest expenditure on deposits of nonfinancial institutions and other customers	12 128	7 821	3 078	1 229
Interest expenditure on borrowings under repurchase agreements	59	58	1	0
Interest expenditure on borrowings	1 243	1 239	0	4
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	95 825	69 136	22 265	4 424
CREDIT PROVISIONS				
Accrued provisions	40 065			
Reintegrated provisions	26 840			
Credit provisions, net	13 225			
TRADING PORTFOLIO GAIN/LOSS	4 820			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	851			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	37 154			
NONINTEREST EXPENDITURE	71 585			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	53 840			
FOREX REVALUATION GAIN/LOSS	-1 634			
EXTRAORDINARY GAIN/LOSS	6 206			
TAX	11 390			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	47 022			

Balance Sheets and Income Statements of Individual Commercial Banks



UNITED BULGARIAN BANK

162

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Resolution of the BNB Governing Council of 25 February 1991. Updated by Order No. 100-00487 of 17 November 1999.
Legal registration	Entered on company file No. 31848 of the Sofia City Court of 1992, lot No. 376, vol. 8, p. 105
Address of the head office	5 Sv. Sofia Str., Sofia 1000 tel. 02/811 28 00 Website: www.ubb.bg
Management	
Board of Directors	Stilian Petkov Vatev – Chief Executive Director
	Christos Katsanis – Executive Director
	Radka Ivanova Toncheva – Executive Director
	Sally Ann Warren
	Agis Leopoulos
	Alexandros Tourkolias
	Efstratios-Georgios Arapoglou
	Anthimos Thomopoulos
Shareholders (shares over 10%)	Ioannis Pechlivanidis
	National Bank of Greece – 99.9%



BALANCE SHEET AS OF 30 SEPTEMBER 2004

(BGN'000)				
	Total	Including		
		BGN	EUR	Other currencies
ASSETS				
Vault cash and current accounts with the BNB	2 959	975	332	1 652
Claims on financial institutions, net	10 979	5 500	5 006	473
Claims under repurchase agreements	0	0	0	0
Trading portfolio	0	0	0	0
Investment portfolio	3 011	508	2 503	0
Loans to nonfinancial institutions and other customers, net	35 640	15 088	17 706	2 846
Loans to budget	0	0	0	0
Commercial loans	22 577	2 802	16 903	2 872
Commercial real estate and construction loans	9 654	0	9 654	0
Other commercial loans	12 923	2 802	7 249	2 872
Agricultural loans	12 399	12 399	0	0
Consumer loans	304	13	291	0
Housing mortgage loans to individuals	156	0	156	0
Other loans	506	0	506	0
Loans to nonfinancial institutions and other customers, total	35 942	15 214	17 856	2 872
Less: specific provisions	302	126	150	26
Assets for resale	0	0	0	0
Investments in unconsolidated subsidiaries and associated companies	0	0	0	0
Other assets, net	145	116	28	1
Intangible assets	636	636	0	0
Premises and other fixed assets	776	776	0	0
Assets, total	54 146	23 599	25 575	4 972
LIABILITIES, MINORITY INTEREST, AND CAPITAL				
Deposits of financial institutions	0	0	0	0
Demand deposits of banks	0	0	0	0
Time deposits of banks	0	0	0	0
Deposits of other financial institutions	0	0	0	0
Deposits of nonfinancial institutions and other customers	21 150	12 749	6 546	1 855
Demand deposits	15 336	9 661	4 709	966
Time deposits	5 814	3 088	1 837	889
Savings deposits	0	0	0	0
Deposits, total	21 150	12 749	6 546	1 855
Borrowings under repurchase agreements	0	0	0	0
Short-term borrowings	9 002	0	6 007	2 995
Long-term borrowings	9 270	9 270	0	0
Subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Other liabilities	528	182	203	143
Liabilities, total	39 950	22 201	12 756	4 993
Minority interest in consolidated subsidiaries	0	0	0	0
Equity, total	14 196	14 196		
Shareholder capital	15 800	15 800		
Reserves	-1 506	-1 506		
Profit/loss, current year	-98	-98		
Liabilities, minority interest, and capital, total	54 146	36 397	12 756	4 993
Memo: credit substitutes and other off-balance sheet commitments	23 848	2 411	9 977	11 460



WestEast Bank

WESTEAST BANK

164

Commercial Banks in Bulgaria

INCOME STATEMENT
(September 2004)

(BGN'000)

	Total	Including		
		BGN	EUR	Other currencies
INTEREST AND DIVIDEND INCOME	1 537	350	1 005	182
Interest income from claims on financial institutions	236	16	205	15
Interest income from claims under repurchase agreements	0	0	0	0
Interest income from trading portfolio	0	0	0	0
Interest income from investment portfolio	93	7	83	3
Interest income from loans	1 208	327	717	164
Dividend income	0	0	0	0
INTEREST EXPENDITURE	240	152	67	21
Interest expenditure on deposits of financial institutions	1	0	1	0
Interest expenditure on deposits of nonfinancial institutions and other customers	40	9	26	5
Interest expenditure on borrowings under repurchase agreements	0	0	0	0
Interest expenditure on borrowings	199	143	40	16
Interest expenditure on subordinated term debt and debt/equity (hybrid) instruments	0	0	0	0
Interest expenditure on other liabilities	0	0	0	0
INTEREST AND DIVIDEND INCOME, NET	1 297	198	938	161
CREDIT PROVISIONS				
Accrued provisions	273			
Reintegrated provisions	4			
Credit provisions, net	269			
TRADING PORTFOLIO GAIN/LOSS	0			
GAIN/LOSS ON INVESTMENTS AVAILABLE FOR SALE	51			
GAIN/LOSS ON INVESTMENTS HELD TO MATURITY	0			
OTHER NONINTEREST INCOME	545			
NONINTEREST EXPENDITURE	1 815			
GAIN/LOSS BEFORE FOREX REVALUATION, EXTRA INCOME/EXPENDITURE AND TAX ITEMS	-191			
FOREX REVALUATION GAIN/LOSS	93			
EXTRAORDINARY GAIN/LOSS	0			
TAX	0			
MINORITY INTEREST	0			
PROFIT/LOSS, NET	-98			



WestEast Bank

WESTEAST BANK

165

Balance Sheets and Income Statements of Individual Commercial Banks

STATUS, MANAGEMENT AND MAJOR SHAREHOLDERS AS OF 30 SEPTEMBER 2004

License granted by the BNB	Order No. RD 22-1067 of 13 August 2003 of the BNB Governor entitling the WestEast Bank to conduct bank operations in Bulgaria and abroad.
Legal registration	Resolution of the Sofia City Court No. 1 of 28 August 2003, company file No. 9270 of 2003, lot No. 78318, vol. 927, reg. I, p. 158
Address of the head office	36 Dragan Tsankov Blvd., Sofia 1040 Interpred World Trade Center, Bl. B, No. 105 tel. 02/970 24 10 Website: www.westeastbank.bg
Management	
Supervisory Board	Boris Pesjak – Chairman
	Darko Horvat – Deputy Chairman
	Janez Sencar
	Mattias Eckert
	Andrej Hazabent
Management Board	Dusan Valencic – Chairman
	Nabil Khalil Issa – Executive Director
	Georgi Denchov Petrov – Executive Director
Procurator	Safi Said Harb
Shareholders (shares over 10%)	
Activa Holdings BV, Amsterdam – 72.51%	
LB Maxima, Ljubljana – 24.50%	

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